From: Dominic Angerame, Executive Director

Date: March 20, 2001
CC: Canyon Cinema, Inc. Board of Directors: Owen O'Toole; Elizabeth Sher; Claire Bain; Nathaniel Dorsky

Dear Shareholders of Canyon Cinema,

Good wishes and hello from the staff of Canyon Cinema. I hope that this year has been well for our shareholders. There has been quite a bit of activity here at Canyon Cinema and I am happy to announce that rentals and sales for the 2000-2001 fiscal year are up more than 5% over last year totaling more than $122,000 and there appears to be continued interests in the films distributed through Canyon Cinema. Catlalog sales have been brisk and the total Operating Account for Canyon Cinema ended with more than $14,500 up more than $5,000 over last year. Incoming rental requests are higher than this period one year ago and the predictions for the next quarter's finances appear promising.

ANNUAL OPEN MEETING:

An OPEN MEETING FOR SHAREHOLDERS will take place at Canyon Cinema, 2325 Third Street #338 San Francisco, CA 94107 415-626-2255 on April 17th at 6PM. At the open meeting complete financial reports will be distributed, and also new elections for the Board of Directors will take place and ballots will be counted.

There have been staff and Board of Director changes during the year. Mark Toscano has been hired as Film Traffic Controller, and Assistant Director. Mark has graduated from the School of Film Preservation at Eastman House and has proven himself over the past six months to be an extremely valuable staff member and I extend to him a warm welcome. A warm welcome also goes to Pamela Harris who has been hired as a part time book keeper and Klara Grunning continues to be temporary part time fill in help. An interview with myself regarding Canyon Cinema and photos of the entire staff is contained in the December 2000 issue of the Independent.

Susanne Cockrell has served on the Board of Directors for more than four years and has recently resigned her position as President of the Board. She has been an invaluable aid in the recent restructuring of the internal mechanisms here at Canyon and we shall miss her presence on the Board. Nathaniel Dorsky was appointed as a Board Member at the April Open Meeting.

The present commercial rental situation in San Francisco is changing, and there are several options that Canyon Cinema is pursuing regarding securing a long term lease. Canyon Cinema's current lease will expire on March 1, 2002. So for the present time the situation is stable. There was a rent increase in March which increases the rent to about $1.47 per foot.

Canyon Cinema is currently embarking on a new project to expand our Web site which will incorporate the catalog, illustrations and a powerful search engine. This project is in the beginning phases and we hope that it will be completed within the year. **We need funds to help with this project since the start up funds are above and beyond our existing operating budget. Shareholders who would like to donate to this project should contact me.**

Canyon Cinema is joining the San Francisco Cinemetheque 40th anniversary celebration. This celebration will include a Canyon Cinema visual extravaganza that will consist of multiple sound projection from films contained in the collection. There will be many projectors running simultanieously on several outdoor screens overwhelmingly flooding the screen with visual images from the films of Canyon Cinema. The work shown will be selected by the Staff and Board and any shareholder **who does not wish** to have their films shown in this context, should contact me immediately. This event will take place on July 21, 2001 7 pm at the Cinematheque Offices at the Naval Shipyard. Out of towners who wish to attend this event should contact me for further details all filmmakers are invited to attend.

Canyon Cinema T Shirts are now for sale. The sizes are Medium, Large and Extra Large. The price is $15, plus $5 shipping. The T shirts are black and the white logo is the original Bruce Conner design.

ELECTIONS FOR THE BOARD OF DIRECTORS

It is time to elect Board of Directors for Canyon Cinema. The current Board Members are Elizabeth Sher, Clarie Bain, Owen O'Toole and Nathanield Dorsky. Current Board member and Sectretary, Owen O'toole has decidied to re-run for the Board for a second term, Nathaniel Dorsky is also seeking election as a Board Member, as well as former staff employee, Steve Polta. Candidates statements are included in this letter. Shareholders need to select three Board Members. Please remember that it is important to assign a Proxy for your ballot and also to sign the ballot. **Without your signature, the ballot is not valid. All ballots are due APRIL 17, 2001 at 6PM**

DISTRIBUTION FEES

Distribution fees in the amount of $60 are payable March 1st of every year. Included in this correspondence is a listing of those filmmakers that owe fees. This is not intended to embarass anyone, or to be list of shame. Publishing the list serves as an official notice in case we need to return films to any filmmaker for non payment of fees. Next to each filmmakers name is the amount of fees that are owed for both this year and any unpaid subsequent year. If a your name is not included on this list it indicates that fees have been deducted from your account. Fees are $60 per year. Any shareholder who does not pay fees withing 30 days of receiving the invoice will have their work returned to them and withdrawn from distribution as indicated in the Filmmakers Agreement. **Those who owe more than $60 will have their films/tapes returned to them or sent to storage if fees are not paid within thirty days.** Please note that all filmmaker accounting is available upon request.

MINUTES TO BOARD MEETINGS

These are available to any shareholder upon request.

As always all shareholders are welcome to submit comments, suggestions, and ideas directly to the staff here, or to the Board of Directors. On behalf of the Board of Directors and the Staff of Canyon Cinema I thank the shareholders for their continued support and confidence in the Corporation and I wish for all of you the best of years to come and until our future communication I ask you all to take care.

Sincerely,

Dominic Angerame
Executive Director, Canyon Cinema, Inc.

MEET THE CANDIDATES (Vote for three)

Nathaniel Dorsky

The quickly changing fiscal environment of America and especially the Bay Area make the establishment of an economically sound Canyon Cinema essential to the protection of its invaluable collection. We need a secure location and a happy and professionally minded staff that can act as an interface between the vulnerable lone filmmaker and the various agents of love and abuse that rent from its large and priceless collection. The present situation seems quite good. Talk of an inclusive web site, a more stable location if necessary, and new ways to generate income through publication will of course continue.

Steven Polta

While a recent Canyon member, I've been making films for at least seven years and have screened my work in venues across the nation in recent years. From late Fall 1998 through Summer 2000, I was the Canyon's Print Traffic Controller. During this time, I was also the Office Manager of the San Francisco Cinematheque, a position I still hold. My experience with the day to day operations of Canyon gives me a unique understanding of the organization which obviously will bear positively on my participation with the organization as a board member. My current involvement with the day to day operations of a prominent film exhibiting organization provides a special perspective on the realities of Canyon members, particularly "younger" or "emerging" makers face in getting their work seen. As a board member, I would particularly be interested in exploring ways Canyon, as a collective enterprise, can attact younger makers and participate in the promtion of works be all members, new and established.

Owen O'Toole

Dear Members of Canyon Cinema. I have been on the Board of Canyon for the past 2 years and am willing to take on another term. Anyone who has sat on the Board here knows it is not easy, but is an important way to help the organisation function and move forward. I encourage all members to take a turn volunteering in this way. At the same time, it's important for Canyon to hold onto some longterm Board members who can keep some perspective and develop lasting work relations with the Staff and Membership. It is great to have Nick Dorsky with us.

I remain a bit appalled at the level of bitterness and distrust that I've experienced at Canyon meetings, but guess that is the product of 3 decades of artist egos in the blender of American social chaos. I believe that learning to co-habitate with others, to listen to other viewpoints, is as important as realizing personal artistic triumphs (and failures).

As we enter a period of increased social uncertainly and seeming Darwinisms, I look forward to maintaining a common passion with you all: Love for Independent and artist-made films and the Independent Minds that they spring from.

Canyon Cinema, Inc.

2325 Third Street Suite #338

San Francisco, CA 94107

415-626-2255 email:films@canyoncinema.com

Proxy Form & Ballot

(Must be returned to Canyon Cinema no later than April 17, 2001)

The undersigned, is a shareholder of Canyon Cinema, Inc. and appoints and constitutes the name checked below as proxy to attend the Annual Canyon Cinema Shareholders Meeting to be held on Tuesday April 17, 2000 at 6pm at the office of Canyon Cinema (2325 Third Street, Suite #338, San Francisco) To record my ballot for the Board of Directors Election, give consents, and in all other ways to act in my place and stead. The proxy shall have full power of substitution and revocation and any proxies heretofore given are hereby revoked.
I choose as proxy one of the persons listed below:

_____Dominic Angerame, Executive Director, Acting Bd of Director, Canyon Cinema, Inc.

_____Elizabeth Sher, Board of Directors for Canyon Cinema

_____Claire Bain, Board of Directors for Canyon Cinema

_____ Other Canyon Cinema Shareholder

_____who will be attending the meeting (please print that person's name here)

SIGNATURE:_____DATE:_____

PRINTED NAME (in block letters):_____

PS This proxy form is not valid unless both signed and printed signatures appear. No e-mails or faxes are allowed under California State Law.

I **VOTE** FOR THE FOLLOWING**(up to three CANDIDATES)** TO BE ON THE BOARD OF DIRECTORS FOR CANYON CINEMA

Nathaniel Dorsky_____

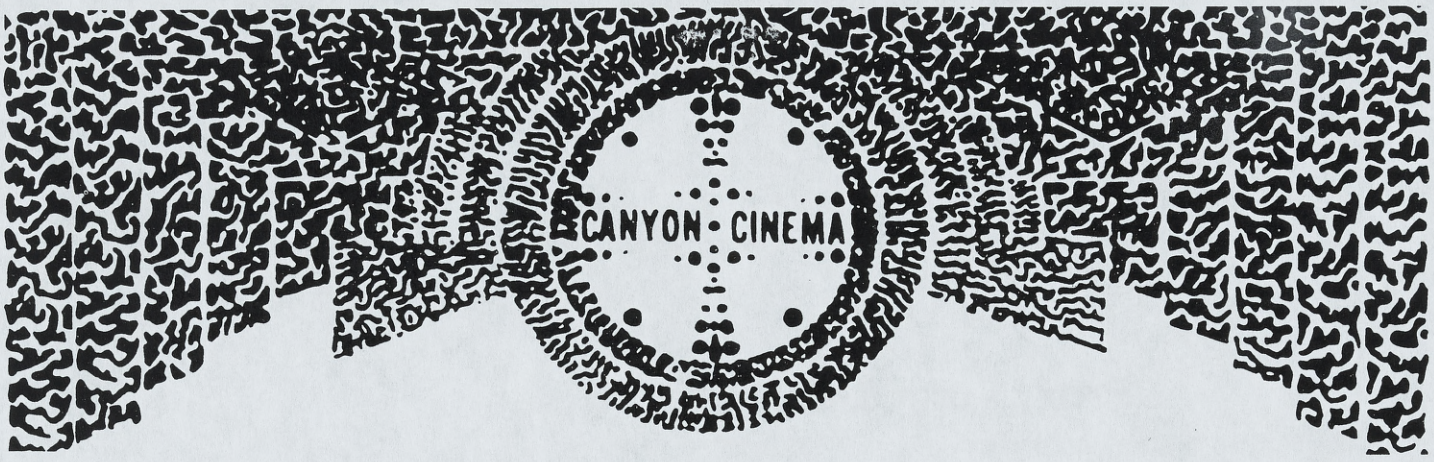
Owen O'Toole_____

Steve Polta_____

Please write questions, issues or comments to be addressed at the Open Meeting by your proxy, on your behalf. _____

_____

_____



Canyon Cinema Members Who Owe Distribution Fees:
(Those who owe more than $60 will have their films/tapes returned to them if fees are not paid within thirty days)

Name:	Amount:
Abrams	120
Adlestein	60
Adrian	60
Allen	60
Alperin	120
Auslender	60
Babeth	200
Ball	60
Barber	60
Barens	60
Bartok	200
Bastajian	60
Bechard	180
Beeman	120
Beeson	200
Betancourt	120
Beveridge	60
Bierman	60
Blau	60
Block	60
Bourque	60
Brand	60
Brose	60
A. Brown	60
Brynntrup	120
Caldararo	60
Cannizzaro	60
Carney	60
Carnot	60
Cogan	60
Cohen	60
Colburn	60
Coleman	60
Colmer	60
Connor	60
Crane	60
Creson	60
Cseri	60
Cummins	60
Cutaia	60
Danielson	60
Davis	60
DeBruyn	120
DeGrasse	60
Demetrios	120
Derry	60
Deutsch	60
Doberman	60
Dobson	60
Drori	60
Elam	60
Elder	60
Ellis	120
Faccinto	60
Fenz	60
Fergus	60
Fillipo	60
Findley	60
Finne	60
Flowers	60
Forrer	60
Froehle	60
Frost	180
Fuchs	120
Fulton	60
Garfield	60
Gatten	60
Geary	60
Gee	60
Gentile	60
Geyer	60
Giritlian	60
Goldberg	60
Goldsmith	60
Gordon	60
Greenfield	180
Gregory	60
Grenier	60
Griffin	60
Gruben	60
Haack	60
Halm	60
Halpern	60
Halprin	120
Hancox	120
Harrar	60
Henny	60
Henry	60
Hershey	60
Hock	60
Holmes	60
Hudina	120
Hughes	60
Hurwitz	120
Iimura	60
Irwin	60
Johnson	200
F. Johnson	120
Kaplan	120
Killelea	180
Kirby	60
Kitchen	60
Klockseim	60
Klutinis	60
Kovacova	120
Krasilovsy	60
Lebrun	60
Leger	60
Leimbacher	120
C. Levine	120
Lieber	60
Linkevitch	60
Lipman	60
Lipton	60
Loeser	60
Lothar	120
Lowe	60
MacLennan	60
Maliga	60
Margulies	60
Massarella	60
Mead	120
Merritt	60
Meter	120
Moore	60
Morgan	60
Morrison	60
Murray	120
Nekes	200
Nigrin	60
Osborn	60
Ostrovsky	120
Otis	60
Padula	60
Palazzolo	60
Patrick	60
Pearson	60
Perkins	60
Petrochuk	60
Plays	60
Plotnick	60
Ponger	180
Povey	60
Priestly	60
Pryce	60
Quinn	180
Reinders	60
Ringo	120
Rosas-Walsh	60
Rosenthal	60
Sachs	60
Safran	200
Savage	60
Sax	60
Schaller	120
Schiappacasse	60
Schlemowitz	120
Schmidt	60
Schneider	60
Sears	60
Seibert	60
S. Sherman	60
Siegel	120
Simpson	180
Single Spark	60
Skoller	60
Sommer	60
Spinello	60
Steers	60
Stiglicz	60
Stookey	60
Storz	60
Szirtes	60
Tadic	60
Tartaglia	60
Todd	60
Tucker	60
Turano	60
Turkle	120
Varela	60
Verstappen	60
Walsh	60
Weisman	60
Weiss	60
Welsby	60
Wendt	60
Westerlund	60
D. White	60
J. White	60
Wieland	60
Wiley	60
Wills	120
Wilson	60
Wood	60
Wright	60
Yang	120
Zipperer	60

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http://home.earthlink.net/~lkless/Canyon/Canyon.html

canyon
CINEMA

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San Francisco, CA 94107
(415) 626-2255

SAN FRANCISCO CA 941
PM
22 MR
2001

EASTER SEALS
FIGHT CRIPPLING
USA FIRST CLASS
2000

Sara Kathyrn Arledge
C/o Terry Cannon
1531 East Woodbury Rd.
Pasadena, CA 91104

91104X1557 20

From: Dominic Angerame, Executive Director

Date: March 17, 1999

CC: Canyon Cinema, Inc. Board of Directors; Larry Kless, Sandra Davis, Anna Geyer, David Sherman, Suzanne Cockrell

Dear Shareholders of Canyon Cinema,

Greetings to all shareholder, and hope all has been well during this past year. I am writing to inform you of the major changes and important progress that have transpired over the past months and to announce that there will be an open meeting of the **Shareholder Membership on April 20, 1999.**

First the good news is that during the past year rental/sales are at an all time high. As of the end of Canyon's fiscal year 1998:

rentals have totaled	90,896	up 1997 from $78,568
film sales are	18,308	up 1997 from $10,622
video sales are	7,857	up 1997from $7, 206
Totals	**117,063***	$96,396

***** This is the highest amount of rental/sales in Canyon's Thirty Five Year History**

Gross rental/sales totals are up more than 23% Canyon Cinema's highest year yet....This increased activity is due, in part to the assertive programming and recommendations by the staff and increased exposure to Canyon Cinema from on line sources and expanded press coverage from articles such as the Independent. Also a contributing factor was the extensive Feng Shui that I created in the office space. Almost all filmmakers in the corporation have benefited from this increased business.

The extra revenue generated from increased rentals/sales which was approximately $5300. These funds have gone to pay the salaries of part time film inspectors helping with the increased work load. Steve Polta has recently been hired as part time film shipper/inspector and works 16 hours a week at $10 per hour. The postage meter costs have also risen along with the phone bill/utilities, supplies as well as liability insurance, workman's compensation, taxes.

Incoming orders, rental requests in house are also up from $76,381 in 1998 to 88,000 this year. Another sign that there is increased interest in this field and a positive outlook is seen for the end of this financial year that ends February 28, and for the next year.

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http://home.earthlink.net/~lkless/Canyon/Canyon.html

The office account contained ended with a balance of ($365.27) compared to ($5,335) from last year. This is almost $7,000 more than this time last year where the office account contained (5,335). The reason for this is the increased handling/shipping fees that have been charged our customers to make up for the loss of the $8,000 in revenues for operational expenses from the NEA and CAC. The catalog account contains more than $31,000 and development and advertising accounts contain a total of more than $2500.

A complete financial report will be made available at the Annual Shareholders Meeting.

RENT/LEASE SITUATION

Alas, despite the good news of increased rental and sales, the bad news is that Canyon's rent has been ncreased by more than 50%. The price of conducting business in the Bay Area is skyrocketing. Last year from Feb 1, 1998-Mar 1, 1999 Canyon Cinema's rent based was based 779 sq feet, was $585 charged at a rate of .72 per foot. Canyon also had to pay $60 garbage and water for a total of $645. Our lease ran out 1/31/99 and the landlord decided to start charging Canyon close to market rates. Currently renters are paying on the average $1.35 per ft. Canyon's new lease is $1.15 per ft which comes out to $895, plus $90 for garbage and water which is $985 a net increase of 55% or $340 per month or 4,080 per year.

Short term goals that I have taken include signing a three year lease which will lock Canyon in a lower rate of increases for upcoming years. **As a direct consequence of the increase rent it has been recommended by me that the Board of Directors consider a 50% increase in distribution fees to be able to meet the increase in rent raising fees from $40 per year to $60.**
This recommendations was agreed upon by the Board and now all distribution fees due March 1, 1999 are $60.

The long term goal is to join a consortium of media organizations to lobby the city for space with equitable rent. I had a meeting with Film Arts Foundation, NAATA, Jewish Film Festival, Frameline, SF Newsreel, and other media organizations about the possibility of joining a consortium of media groups to move together into one large space.

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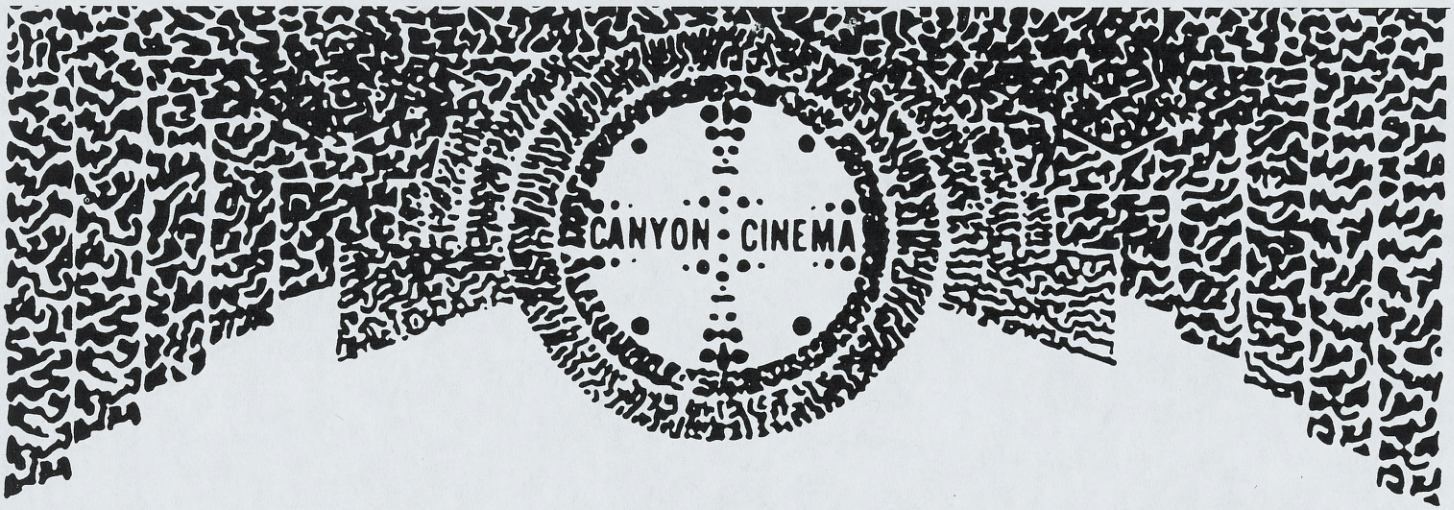

David and myself have also been devoting a great deal of time in the complete upgrading and modification of a new computer system that operates our booking system on Windows and not the obsolete dos system. The new system will eventually allow Canyon to incorporate Catalog production into an everyday operation by allowing the scanning of photographs from films and filmmakers, including bios, and other important vita for our shareholders. This new system will also enable Canyon to publish and maintain a current complete, on line catalog.

Working on this new system has been very labor intensive and all orders have had to be re-done from the old system… David and I are currently working out the bugs in the system and hope to have it ready by the summer. This process may slow down the pace that our filmmakers have been paid, in that we have to check two computer systems for each transaction. All of you patience in this is greatly appreciated.

CATALOG PRODUCTON PROGRESS REPORT

With permission from the Board I have hired Alfonso Alvarez to act as catalog production manager. The volume of new work submitted to this catalog is in excess of 500 new films/tapes. Catalog #8 is expected to be more than 600 pages. The sheer volume and size of the catalog necessitated the hiring of this free lance position, since the staff other projects to complete without the burden of catalog production.

The production crew, Christine Metrololis, Editor, Sue Vogel, proofreader, and Kevin Barnard, Typesetter are making major strides. Kevin has typeset all shareholders whose last names end with "C". The production date is still set for May 1, 1999, however, based on past experience, I expect the volume will go to print sometime near end of June, if all goes well.

There is still time for any of our shareholders to submit artwork to be considered for both the front and rear covers. Any artwork, except stills from films in distribution is acceptable.

Board of Directors Election

It is time to elect two members to the Board. Please be sure to return the ballot/proxy form to Canyon Cinema as soon as possible. **We have provided a SASE for domestic shareholders to help speed the process.** The terms of David Sherman and Larry Kless have both expired and I thank them for their valuable service on the board, helpful ideas, and invaluable help in grant writing and placing Canyon Cinema into the computer age. Please note the separate letter from the President, Larry Kless, in this mailing.

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Proxy Form

On the back of the ballot, a proxy form has been provided so that shareholders may designate a proxy to represent them regarding any issue that may arise at the open meeting. You may choose any of the listed proxies or write-in any other member you know will attend the meeting. In order for your vote to count, you must designate a proxy and that proxy will legally record your ballot at the open meeting. **The proxy forms must be signed, printed and returned to Canyon Cinema before the Open Meeting. Properly signed proxy forms are crucial to establishing a quorum for the meeting. If you do not designate a proxy, the secretary of the Corporation, David Sherman, will record your ballot.** Even if you do not designate a proxy, the ballot must be signed to count.

DISTRIBUTION FEES

All shareholders must pay $60 per year distribution fees. These are payable on March 1, of each year. Those members who owe fees have contained in their mailing a red slip indicating the amount owed. Shareholders who do not pay exact fees by May 1, 1998 will be in violation of the Filmmakers Agreement and risk having their films returned to them. All fees must be paid in full.

BOARD MINUTES AND COMMUNICATIONS

Canyon Cinema is now on line with email and our address is canyoncinema@usa.net (this is case sensitive). More than 100 of Canyon's shareholders have email addresses that have been placed into the computer and these filmmakers will be sent complete minutes of the Board Meetings that have taken place since April 1997. Any other shareholder that wishes to receive a hard copy of the minutes, should contact the office so those minutes can be sent. The complete set of minutes is more than twenty pages, and Canyon simply cannot afford to print and mail copies to each and every filmmaker. Again the minutes are available to any shareholder that wishes to receive them.

Sincerely,

Dominic Angerame
Executive Director,
Canyon Cinema, Inc.

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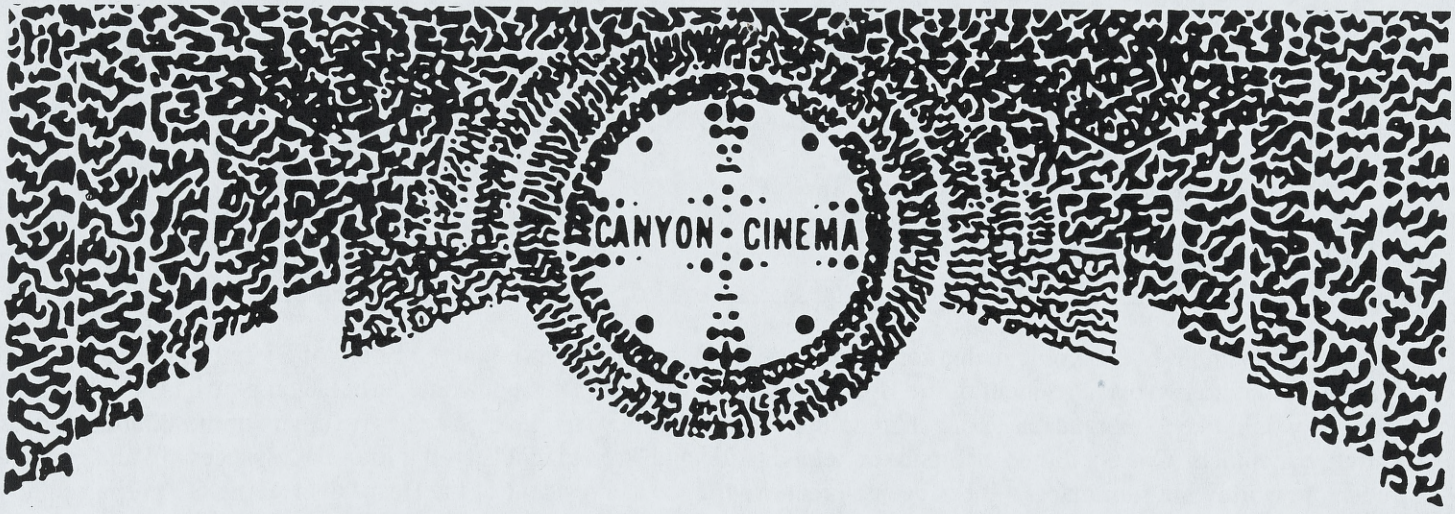

ANNOUNCEMENT OF AN OPEN MEETING FOR THE SHAREHOLDERS OF CANYON CINEMA, INC

The annual open meeting will be held on Tuesday **April 20, 1999** starting at 6PM at Canyon Cinema, Inc., 2325 Third St #338, San Francisco, CA. We urge and encourage all shareholders to attend. We want and need the support and input from our Shareholders.

Other Important Activities:

The staff has been kept busy in applying for grants from the San Francisco Arts Commission for an on-line catalog; a grant from the National Endowment for the Arts for a Catalog Study Guide, and San Francisco Grants for the Arts for operational Support. A grant submitted to the San Francisco Foundation to hire a fund raiser was denied.

During the year the office facility has undergone major structural renovations: the screening room has been improved to include a 20 color monitor/vcr and headphones that can be used for both video projection and 16mm projection. There was major construction performed in the office by the landlord who was insistent in constructing a bathroom for each studio in the building. This loud and dirty construction activity made the summer months very uncomfortable and chaotic.

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MEMORANDUM

To: Shareholders of Canyon Cinema, Inc.
From: Larry Kless, President, Board of Directors
Date: March 17, 1999
Re: The State of Canyon Cinema, Inc.

I have been a member of Canyon Cinema for the past ten years and have served on the Board of Directors since 1995. I have been happy to serve as President of the Board for the last two years through some turbulent and insightful times for Canyon. I would like to thank each of our shareholders who over the years have served as members of the Board and as committee members. Our combined efforts have helped guide and strengthen Canyon's future as a successful and creative force in the worldwide film market. It has been a great experience as President of the Board overseeing our parliamentary process. We accomplished a great deal over the last two years and developed a strong work group, which explored new areas for Canyon. As I complete my term and decline to seek re-election, I wish my colleagues on the Board continued spirit and resolve for the future. I will, however, continue to chair the web committee and assist Canyon in the areas of computer and interactive technology.

I send a big thanks and round of applause to Dominic Angerame, our Executive Director, and, David Sherman, our Administrative Director who are responsible for managing the day to day operations of the corporation. They both have been instrumental in the ongoing progress and expansion of Canyon's business. Their time, energy and commitment to Canyon are a value and benefit to us all.

As shareholders of Canyon Cinema, Inc., we all contribute to Canyon's success and continued solvency. We are a unique entity, which will continue to change and grow. The product of our 30 plus year history is the most eclectic collection of experimental films in the world -- unavailable from any other source. The Canyon Directors and Board continue to focus on the area of education as a value added service provided by Canyon Cinema. We have redefined ourselves as an organization, which supports the local and international filmmaking communities.

Although things are looking up for Canyon Cinema, the cost of running our business also increases. We have most recently been hit with a $360 a month rent increase for our office space. Without other immediate options to increase revenue, the Board of Directors recently voted by majority to increase our annual filmmaker distribution fees from $40 to $60. This may seem to be a drastic measure, but in the scheme of things it is a basic rate hike. Way back in 1966, dues were $5 and then raised to $15 in 1978, $25 in 1984, and $40 in 1994. Now in 1999, this is the first increase in five years and it will help offset the rent increase and the rising cost of doing business in San Francisco. Along with this decision, the Board made the commitment to find other sources of revenue and not encumber our shareholders with the increasing costs of our business.

The Board of Directors continues to grapple with the financial issues of our organization. The Board along with our Executive and Administrative Directors have made much progress in terms of setting long and short term organization goals and objectives. Many projects have been identified such as film packages, study guides, on-line catalog, marketing materials and fundraising. Every discussion leads to the same conclusion, we need to increase our revenue. Within the last two years we have lost $12,000 of fiscal support for our operations from the NEA and Calif. Arts Counsel. Yet we are surviving without these losses. In addition, local funding sources in San Francisco like the SF Arts Commission, thanks to their award of $11,000, has enabled Canyon to proceed with a massive effort to publish our new catalog. This mammoth task has been guided by the committee process, our Executive and Administrative Directors, and coordinated by catalog Production manager and former Board member, Alfonso Alvarez.

In summary, the state of Canyon Cinema is very good. Business is at an all time high, our membership has grown to 368 filmmakers worldwide and our catalog will see publication this fall. Although we've had to increase our filmmaker fees, our shareholders will see those funds continue to support the high quality of service to our members. I'm proud to be a part of the most enduring and successful artists' collective, distributor, and access facility of avant garde and experimental films.

I look forward to the work of the next Board and I support Canyon's ongoing efforts. **My kindest regards, Larry**

MEET THE CANDIDATES
(Vote for up to two)

Dominic Angerame—I have been on the staff of Canyon Cinema since 1980 and feel that the organization has two main valuable resources. The first significant resource of Canyon Cinema has always been the filmmaker shareholders and their films. The second major resource for Canyon Cinema has always been the human resource. To help keep Canyon alive, viable, and solvent this invaluable resource should be represented on the Board of Directors.

Owen O'toole

I would be happy to contribute to the film community by serving on the Canyon Cinema Board of Directors. As a film programmer in the past, I have rented films from the New York Filmmakers' Co-op and from Canyon, and I recognize the necessity of the existence of these filmmaker organizations to the vitality of the work. They are in fact more essential to any sense of a film community than the regular local venues for seeing film, since you could erase those and people would still rent films from Canyon and create shows at their local community centers. Erase Canyon and there is no central source for the film history. The film co-op must evolve with the society it finds itself part of, and I admire how Canyon has done that over the years. I have experience also with radio stations and food co-ops, other community organizations from which I have learned some things about people working together.

As a filmmaker, I would certainly argue for a co-op which represents its members, the filmmakers, and tries to make room for collective decision making, a Board which truly listens to its member-body. (I realize a commitment of 2 years should be given upon accepting membership on the Board, and I would hope to be able to give that. However, there is always the possibility I could be dragged off to pursue important things elsewhere. If I cannot serve the entire 2 years, I hope what time I can offer will be acceptable and that I can be replaced without any misunderstandings around that.)

Canyon Cinema, Inc. Proxy Form

(Must be returned to Canyon Cinema no later than April 20, 1999)
The undersigned, a shareholder of Canyon Cinema, Inc., appoints and constitutes the name checked below as proxy to attend the Annual Canyon Cinema Shareholders Meeting to be held on Tuesday April 22, 1997 at 6pm at the office of Canyon Cinema (2325 Third Street, Suite #338, San Francisco), to record my ballot for the Board of Directors Election, give consents, and in all other ways to act in my place and stead. The proxy shall have full power of substitution and revocation and any proxies heretofore given are hereby revoked.
I choose as proxy one of the persons listed below:

_____Dominic Angerame, Executive Director, Treasurer, Canyon Cinema, Inc.

_____David Sherman, Secretary, Administrative Director, Canyon Cinema, Inc

_____Bruce Conner, Canyon Cinema Shareholder.

_____Sandra Davis, Board of Directors for Canyon Cinema

_____ Other Canyon Cinema Shareholder who will be attending the meeting

_____ (please print that person's name here)

SIGNATURE:_____

DATE:_____

PRINTED NAME (in block letters):_____

PS This proxy form is not valid unless both signed and printed signatures appear. No e-mails or faxes are allowed under California State Law.

I VOTE FOR THE FOLLOWING TWO CANDIDATES TO BE ON THE BOARD OF DIRECTORS FOR CANYON CINEMA

_____**Dominic Angeame**

_____**Owen O'toole**

Please return this form to Canyon Cinema in the enclosed stamped envelope to arrive by 4/14/99

canyon
CINEMA
2325 Third Street, Suite 338
San Francisco, CA 94107
(415) 626-2255

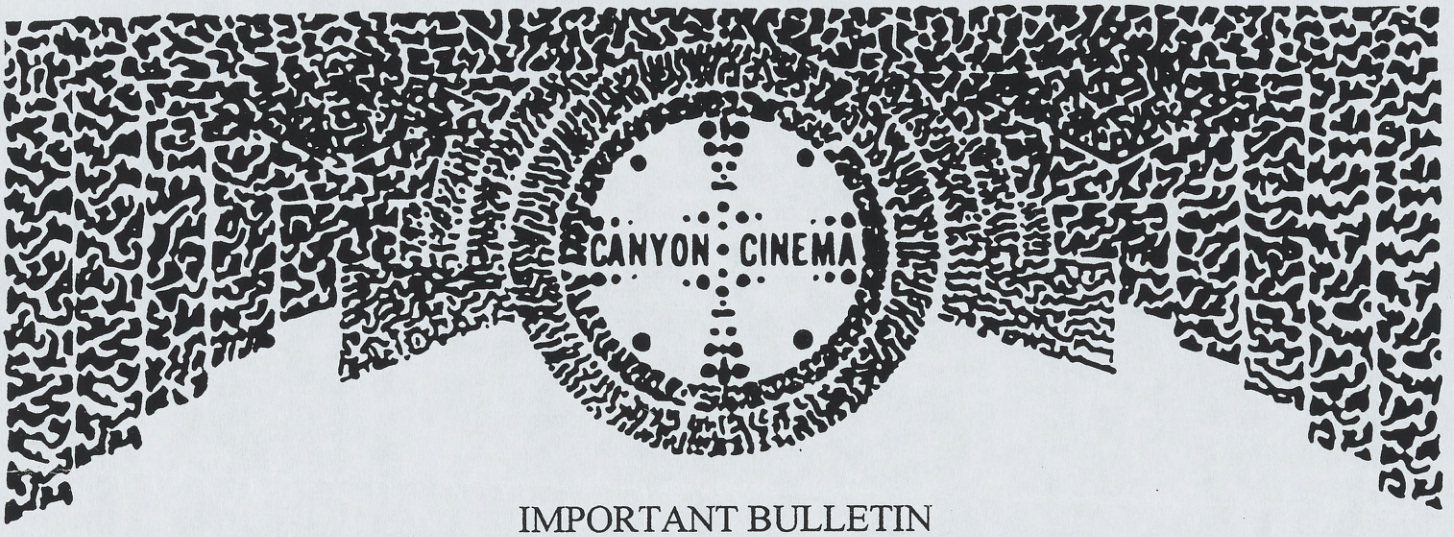
SAN FRANCISCO CA 941
PM
25 MAR
1999
UNITED STATES POSTAGE
PB96B3458
$00.33⁰ MAR 25 99
MAILED FROM ZIP CODE 94107

Sara Kathyrn Arledge
C/o Terry Cannon
1531 East Woodbury Rd.
Pasadena, CA 91104

91104-1537 20

IMPORTANT DATED
MATERIAL ENCLOSED
OPEN at ONCE!!

CANYON CINEMA Catalog #3



IMPORTANT BULLETIN

To: Shareholders of Canyon Cinema
CC: Canyon Board of Directors

From: Dominic Angerame, Canyon Cinema Executive Director
David Sherman, Administrative Director

Date: May 7, 1998

Subject: **Canyon Cinema Catalog #8 Announcement**

I am writing to inform Canyon Cinema shareholders that we have altered our plans to publish a 1998 supplement. I am happy to announce that funds have been received to publish a new 450-page catalog rather than just a supplement. This message is to report to you of the change in our strategy, the new criteria for submission and deadlines, new ideas in design and content, and the process we have developed to produce the catalog.

On April 13, 1998, the San Francisco Arts Commission announced that Canyon Cinema was awarded a grant in the amount of $11,250 for the publication of a major new catalog. David Sherman and I wrote this grant some months ago and at that time the prospects of receiving any funding seemed very slim. Concurrently, the process was already in place to produce a new supplement and not a catalog based upon Canyon's financial reality. There were enough funds in the Catalog Account to publish a supplement and as a result, many of you have already submitted materials.

However, since this award from the SF Arts Commission recoups the loss of funding from the National Endowment for the Arts our plans have changed. The decision has been made by the Board and Staff not to publish a supplement and concentrate efforts to publish a major new catalog.

The proposal I first presented at our recent Annual Shareholders meeting in April is as follows: The projected budget for the catalog is for 3000 copies of a 450 page illustrated volume. The estimated costs for the entire project is approximately $40,000. I estimate sufficient funding for this project with the current funds in the Catalog Account added with grant from the SF Arts Commission, distribution fees, and expected advertisement and photo space that will be sold in the catalog. I expect that if production could begin in August 1998, the finished volume could be out by the fall of 1999.

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The Board and Staff are very pleased at this change in events and we are in now in the planning phase. We developed a Catalog Committee to deal with the production process and on issues of content and design. This committee was organized at of our Annual Shareholders meeting and has recently met and made certain recommendations to the Board. Several very difficult and hard decisions have been made. I have outlined the ten major points below:

1) No changes can be made in the descriptions and text of film/tapes listed in Catalog #7, and the 1992-95 supplements. These previous descriptions have already been input into the computer and proofread. Rewriting or amending previous descriptions will increase the budget beyond the means currently available. Although we would like to accommodate you otherwise, we do not have the funds to pay for the added increase in labor costs.

2) **NEW FEATURE FOR CATALOG #8 AVAILABLE TO ALL FILMMAKERS.** This new volume will have the space to allow each filmmaker an introductory statement consisting of 250-300 words that should be used for biographical information, artistic statements, and information that can be used for program materials or exhibition. This space can also be used to clarify past descriptions of previous films listed. **ALL FILMMAKERS PLEASE SEND THIS IMPORTANT MATERIAL FOR INCLUSION INTO CATALOG #8.**

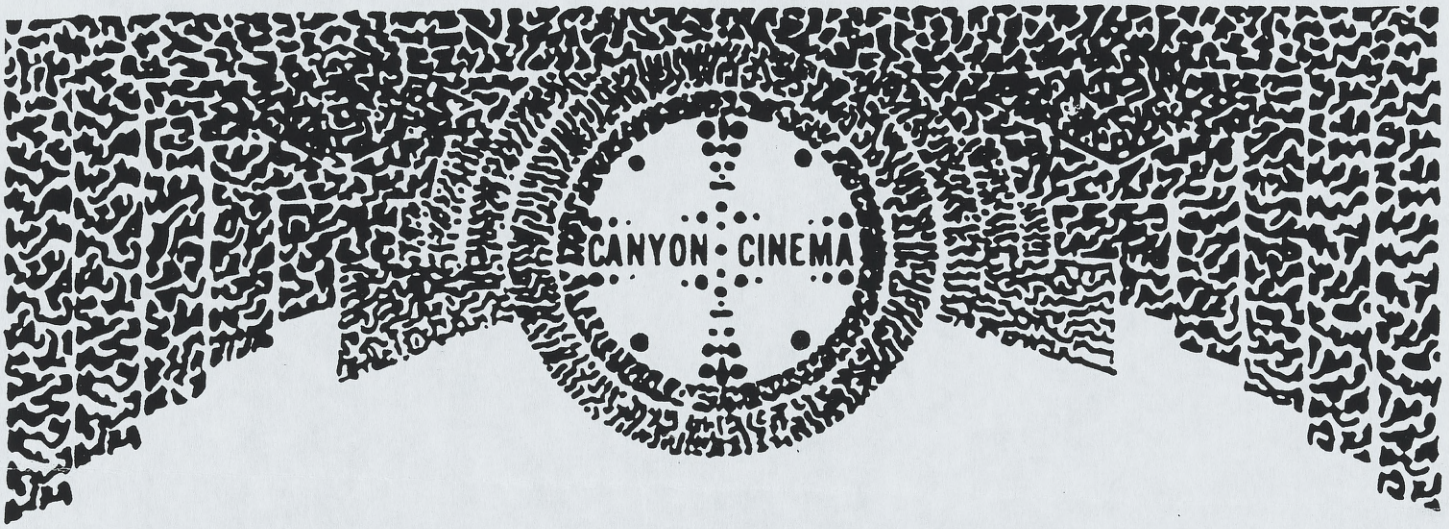
3) New rental fees and sale fees may be changed and included in this volume. We encourage all filmmakers to rent their films for no less that $2 per minute, and it is recommended that no films be charged less than $20. Many filmmakers are charging up to $3 per minute for their films and most renters are accepting such prices. Current sale prices for video tapes range anywhere from $1-$5 per minute for sale to individuals, and triple this amount to institutions. Canyon Cinema does not rent videotapes.

4) Filmmakers may submit as many photos as they wish for the new catalog. Photo space for films, both old and new films will still be sold at the rates of $40 per 1/3 page and $100 for a full page. One photo only will be accepted for each of these dimensions.

5) The Catalog Committee will design a new format for the new catalog. At this time we cannot confirm the actual dimensions of the photographs. However, we request that photos for 1/3 page be submitted in a 5"x7" format and full page photos be submitted in 8"x 10" format. While every attempt to maintain the integrity of the illustration, the editors reserve the right to scale, reduce, enlarge or crop images in order to fit the catalog design. If there are major problems filmmakers will be contacted. Illustrations should be B&W photos or black ink line drawings. Please, no illustrations from printed material and no collage work.

6) **Deadline for receipt of new films, descriptions, and photographs for the new catalog must reach Canyon Cinema by September 1, 1998.** All prints and tapes must be received before they can be listed in the new catalog. Descriptions for new films/tapes cannot exceed 150 words and the editors reserve the right to edit text that exceeds this amount. Tapes submitted for sale must be VHS copies only.

7) All descriptions for new films/tapes must be typed and are to be submitted according to the standard film information sheet that is enclosed.



8) Descriptions for new films may be submitted electronically through email to canyon@sj.bigger.net (plain text only, **no attached files permitted).** The editors reserve the right to reject any descriptions not submitted in the standards requested in points 7 and 8. These standards will cut down time and labor costs for the Production Manager and proofreader.

9) Any shareholder arrears in distribution fees will not have their films listed in the new catalog. This applies only to shareholders who have been previously notified.

10) The Catalog Committee consists of myself, David Sherman, Larry Kless, Sandra Davis, Alfonso Alvarez and Anna Geyer. We are investigating ways in which to completely redesign the look of the catalog and create packages of films for rental. Also included will be several articles about experimental filmmaking and a short historical statement about Canyon Cinema. The Catalog Committee will work to develop these plans and keep the shareholders informed regarding decisions in these areas.

Finally, as in the past, our filmmakers may submit illustrations, drawings, photographs, and other artwork to be considered as a possible choice for the front and back covers of the catalog. Deadline for receipt of such materials is also September 1, 1998.

In summary, the grant awarded to Canyon Cinema has come very unexpectedly and the timing is perfect. The completion date for this new volume is expected to be in the fall of 1999 allowing Canyon to usher in the new century in an exciting and positive way. Both the Staff and Board of Directors are optimistic about the future of the Corporation based on receiving this generous grant. Please be sure to read over the new details about submissions of new work, your help will make this catalog a landmark in Canyon's history. We thank all our shareholders who believed that this project could be manifested by donating funds to the publication.

Sincerely,

Dom Angerame

Dominic Angerame
Executive Director
For the staff and Board of Canyon Cinema

enclosures: Film Information Sheet

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canyon
CINEMA

Dear Filmmaker,

Canyon has just received a request to purchase a 16mm print of the following title(s):

INTROSPECTION

If you wish us to handle the sale of this title(s), please return this letter with the correct selling price. We will notify you if the purchaser does indeed wish to purchase the film(s) and will ask that you send the new print directly to us mounted on a reel and in a can. Canyon returns 85% of the sale price to the filmmakers as a royalty. If you wish to handle the sale directly, please contact me, and I will send you the contact person for the organization that is interested in the purchase.

Thanks, and please respond as soon as possible.

Sincerely,

Dominic Angerame

Dominic Angerame
Director, Canyon Cinema, Inc.

PS Please do not send or have titles printed until we contact you and confirm that the purchaser does indeed wish to purchase the print(s) indicated.

HOPE ALL IS WELL
-DOMINIC

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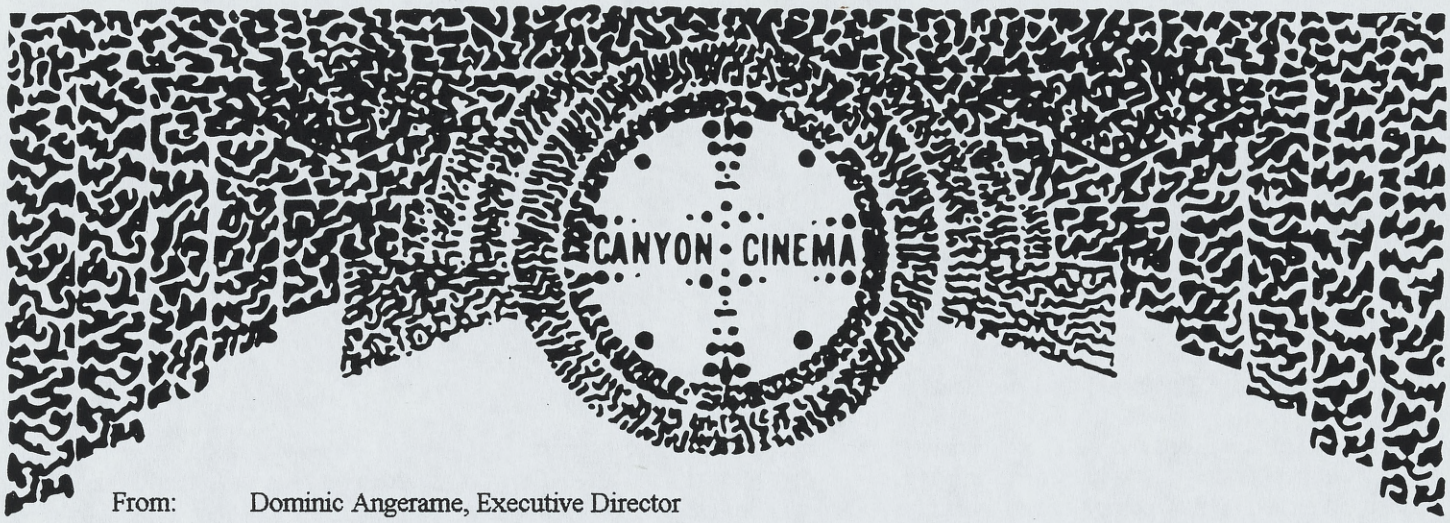

From: Dominic Angerame, Executive Director

Date: February 17, 1998

CC: Canyon Cinema, Inc. Board of Directors; Larry Kless, Sandra Davis, Anna Geyer, David Sherman, Steven Dye

Subject: What's up with Canyon

Dear Shareholders of Canyon Cinema,

It has been a long time since correspondence has come from the office. I am writing to inform you of the many changes that have transpired over the past seven months, and share with you the direction we are taking in 1998.

For the first time in Canyon's history the Board of Directors are developing a long-range fundraising plan. This is a direct effect from the loss of funds from the National Endowment for the Arts and the decreasing revenues being received from the California Arts Council. Together the board and staff have developed many ideas and goals designed to help us redefine ourselves as a for-profit organization. Overall, our future relies in our continued success at financial solvency.

Catalog Publication Update

One dramatic event of 1997 turned out to have a traumatic effect on Canyon Cinema. A major new catalog was due for republishing in 1997 with an addition of 200 new titles. For 16 years the National Endowment for the Arts had been a significant source of funding for the catalogs. In January 1997 Canyon was notified that it would again be a recipient of NEA support for the new catalog. However, in a devastating reversal of policy, the NEA in March 1997 informed us that the $15,000 award had been rescinded. Even with the aid of legal counsel, the NEA further denied Canyon's appeal to overturn their decision. As a result the required funds needed for the major catalog, estimated to cost $40,000, are not available. The decision has been made to postpone publication until sufficient funds are secured for production. More than $2,000 in private donations has been raised, and currently Canyon has applied for a $15,000 grant from the Hotel Tax Fund of San Francisco for catalog production. A grant has been submitted to the San Francisco Foundation for $12,000 to hire a professional fundraising consultant to work with Canyon to create and implement a long-range fundraising plan.

Revised Articles of Incorporation

As of October 6, 1997,the State of California has accepted the revised Articles and bylaws. Canyon Cinema is now a for-profit Shareholder Corporation. Currently, the Board is working with an Attorney on the process of issuing shares to the filmmakers and procedures that go with it.

Current Financial Situation

Business during the past year has been extremely good, rentals and sales grossed more than $100,000 during 1996-97. This was Canyon's highest year ever and hopefully this trend will continue. Unfortunately, however, Canyon's operating budget is in the red ink. This is a direct result of the NEA cutback, which in the past the budget required $5,000 of these funds to help with operating expenses. As a result the operating account has remained approximately $5,000 less than previous years. Due to the loss of funds, the increased expenses in running the Corporation has been passed on to our renters, with Canyon increasing handling and shipping fees in an attempt to recoup this loss.

(Over)

Publication of a New Supplement

Yet on a positive note, there are enough funds for Canyon Cinema to publish a new supplement in 1998 listing all the films received since 1995. Close to 200 films have been deposited for rental since the last supplement was printed and the estimated cost of publishing a new supplement will be approximately $6000. Funding for this project is available in the Catalog account from the distribution fees collected from our shareholders over the past two years, and a generous grant from the Tamarack Foundation. At the end of this letter are the details for those filmmakers who have deposited new films and wish to have photographs printed. This supplement will list only new films received, and not re-list titles in the previous volumes. All current shareholders names will appear in the book as filmmakers whose films Canyon Cinema distributes. The board and staff have also discussed adding a few other components that haven't been part of the other supplements such as a historical perspective, an artistic statement, an editorial on the NEA and packages of classic avante garde films. This supplement could serve as a prototype for how we produce our next major catalog publication.

Board Minutes and Electronic Communications

Another goal of the board and staff is to increase communication within the corporation. Canyon Cinema is now on line with email and our address is canyon@sj.bigger.net (this is case sensitive). More than 100 of Canyon's shareholders have email addresses that have been placed into the computer and these filmmakers will be sent complete minutes of the Board Meetings that have taken place since April 1997. Any other shareholder that wishes to receive a hard copy of the minutes, should contact the office so those minutes can be sent. The complete set of minutes is more than twenty pages, and Canyon simply cannot afford to print and mail copies to each and every filmmaker. Again the minutes are available to any shareholder that wishes to receive them.

Canyon Cinema News

The Canyon Cinema News has been on hiatus for almost a year now. It was basically a product of Timoleon Wilkins, former Board Member and President. Since his resignation from the Board, no one has stepped forward to donate the time to publish further issues. These newsletters did contain the Board minutes, but for now, minutes will have to be available upon request. Any shareholder that wishes to volunteer time and energy to publish the Canyon Cinema News should contact Canyon Cinema.

Filmmaker Royalties Accounting

There is new information in regards to the 1099 misc. forms that are sent to all shareholders that collect more than $600 each year in rentals. According to the tax laws all income earned from rentals during a year that total more than $600 must be reported to the IRS as income even though the funds might not have been collected from the shareholder's account at Canyon Cinema. As a result January 1, 1998 will represent year one and all shareholders that have either earned, or have in their account more than $600 will be sent a 1099 misc. in January of 1999 as earned income for 1998. I have been advised by both Canyon's Attorney and Accountant that this is the proper method in which to proceed. I am working with our computer consultant, David Warren, to establish a reporting procedure whereby filmmakers will be notified to the status of their account either once or twice a year. This will show how much earned income deposited into their accounts that will need to be reported to the IRS as income. I have also been advised that shareholders must collect all funds within seven years or the money will be forfeited either to Canyon Cinema or the State of California.

In summary, since April 1997, Administrative Director, David Sherman, myself and the Board of Directors have had our hands full dealing with the political fallout of the NEA fiasco; trying to finalize the revised Articles of Incorporation to the satisfaction of the State of California: determining whether to publish a major catalog or a supplement; searching for fundraisers; working to redefine and reposition ourselves in the marketplace; and designing a new computer system that will fulfill the needs of our shareholders better and help us run a more efficient corporation. With this incredibly busy agenda and severe lack of funds I apologize for the delay of this correspondence and wish all the best for this new year. In closing I thank all of those shareholders who came to the moral and financial support of Canyon Cinema during the battle with the National Endowment for the Arts your actions and donations helped enormously.

Please note the important information regarding the details for listing new films in the Supplement, which should be released by September 1998. Look for another correspondence in next month regarding the Annual Shareholders meeting scheduled for April 21, 1998, along with proxy forms, and candidates for the Board and further information. Your membership and ongoing commitment to Canyon Cinema is greatly appreciated.

Sincerely,

Dominic Angerame
Executive Director

canyon@sj.bigger.net
fax and phone 415-626-2255

Procedures for submitting films and photographs for the new Supplement

A new supplement to the Canyon Cinema Catalog #7 is being prepared. The current design may change a bit from the previous supplements and this depends upon a new format being worked on by our typesetter, Daniel Pike. This volume will contain descriptions and prices for all new films and tapes placed into distribution since the last 1995 Supplement was printed. No changes in descriptions or prices will be printed for any films already published in Catalog 7 or the 1993-94-95 supplements. All new films and video tapes, along with descriptions (not to exceed 150 words), prices and photographs are to be received no later than **MAY 1, 1998** to guarantee inclusion.

Canyon Cinema will print only descriptions of new works actually deposited for distribution. Descriptions arriving without the print or tape will not be included in the volume.

Photo space is permitted and is **being sold** at the following dimensions, which may alter, depending upon changes in the design, yet to be determined.

1/3 page photo –one photo only-- $40
1 page—one photo only--$100

Photos submitted may be cropped to fit dimensions for catalog layout and design. The supplement production manger has the right to edit all copy containing more than 150 words at her discretion.

Cover Illustration

As in the past, our filmmakers may submit illustrations, drawings, photographs, and other artwork to be considered as a possible choice for the front and rear covers of the Supplement. Deadline for receipt of such materials is June 1, 1998.

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Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

Fourth 96 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	9.00	161.00	152.00	0.00
Credits/Debits This Period:		121.00	40.00	

Adjustments:	DEBIT	CREDIT	ADJUSTMENT DATE
ARLED membership fee received	40.00	40.00	2/13/97
ARLED royalty check sent	81.00	0.00	2/13/97
Totals:	121.00	40.00	

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Third 96 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	9.00	40.00	112.00	81.00
Credits/Debits This Period:		0.00	30.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE of SHOW	DATE DISTRIB.
20135 R	94720B	WHATDO	What Do Two Rights Make? .6	25.00	15.00	8/27/96	9/25/96
	To: Pacific Film Archives of Berkeley, CA						
20358 R	91355	INTROSPE	Introspection .6	15.00	9.00	9/19/96	11/27/96
	To: Cal Arts of Valencia, CA						
20362 R	91355	TENDER	Tender Images .6	10.00	6.00	10/23/96	11/27/96
	To: Cal Arts of Valencia, CA						

Credit Distribution for Filmaker ARLED: 30.00

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

First 96 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	9.00	40.00	82.00	51.00
Credits/Debits This Period:		40.00	82.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE of SHOW	DATE DISTRIB.
18950 R	68588	INTROSPE Introspection	.6	15.00	9.00	2/19/96	3/21/96
	To: Sheldon Art Gallery of Lincoln, NE						
19655 R	91355	TENDER Tender Images	.6	10.00	6.00	5/01/96	5/30/96
	To: Cal Arts of Valencia, CA						
19740 R	94103L	INTROSPE Introspection	.6	0.00	0.00	4/03/96	5/30/96
	To: Museum of Modern Art of San Francisco, CA						
19741 R	94103L	INTROSPE Introspection	.6	45.00	27.00	4/12/96	5/30/96
	To: Museum of Modern Art of San Francisco, CA						
Credit Distribution for Filmaker ARLED:					42.00		

Adjustments:	DEBIT	CREDIT	ADJUSTMENT DATE
ARLED dues check received	40.00	40.00	3/21/96
Totals:	40.00	40.00	

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

Fourth 95 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	9.00	40.00	40.00	9.00
Credits/Debits This Period:		0.00	9.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE of SHOW	DATE DISTRIB.
19649 R	91355	INTROSPE Introspection	.6	15.00	9.00	1/24/96	2/15/96
	To: Cal Arts of Valencia, CA						

Credit Distribution for Filmaker ARLED: 9.00

January 13, 1997

Filmmaker Members of Canyon Cinema,

This has been a great year of accomplishment for Canyon Cinema. Rentals and Sales have achieved an all time high and the Office Account is finally out of the red ink and we are experiencing rapid growth in overseas rentals and sales. We have been able to purchase a new computer and are in the process of upgrading our software system designed to provide members and renters with greater information in regards to the film rental activities and accounting procedures. The computer will also be used to establish an e-mail address, Create an on-line presence and generate marketing reports that will greatly aid the staff in programming efforts and increasing rentals.

Canyon Cinema has been notified by the National Endowment for the Arts that a sum of $15,000 has been awarded to begin a compilation of a brand new catalog . The announcement came as a complete surprise and shock to us all. Receiving these funds are the direct result of very hard work and the complete revision of our grant application collaborated by myself, David Sherman, Rebecca Barten and Irina Liembacher earlier in the year. This figure represents approximately one third the amount necessary to publish a new catalog and the Board is working on ways to raise the remaining funds needed for publication. We will notify all members in the near future about deadlines, and appropriate cut off dates for inclusion.

However, before we begin this process there are several major issues at hand that must be clarified. As you all know during the past four years we have worked hard to amend the Articles of Incorporation for Canyon Cinema, change our bylaws and create a new filmmakers agreement.. Finally this process is almost completed. The amended Articles of Incorporation, as approved by the membership in April 1996 has been sent to the Secretary of State for final approval.

The enclosed papers include an information sheet, a policy statement by the Board regarding deceased filmmakers, and the revised Filmmaker Agreement. In order for Canyon Cinema to continue to distribute your films all members and estates representing deceased members must sign and return the Filmmakers Agreement. This acts as a binding contract between Canyon Cinema and each shareholder of the organization.

The Filmmakers Agreement is self explanatory, the items enclosed have been discussed, debated, and carefully put together. Members must sign and agree to all items on the Filmmakers Agreement. The Agreement and information sheet must be returned to Canyon Cinema no later than February 14, 1997. Filmmakers who have not returned the signed contract will have their films returned to them or disposed of accordingly.

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Please make a copy of the signed Filmmakers Agreement for your records and note that once signed all filmmakers are committing their films for distribution by Canyon Cinema for a period of three years. (over)

In order to guarantee inclusion into the Catalog #8 all filmmakers must have paid their distribution fees and must have returned the enclosed signed Filmmakers Agreement by February 14, 1997.

It is the belief of the Board and staff that these new procedures will help Canyon Cinema prepare for a more secure and beneficial future. The new bylaws and Filmmakers Agreement represents both a commitment on the part of Canyon Cinema and the filmmaker shareholders.

Again this has been an extremely profitable year and more than I hope that we can continue to provide the same quality of service to our filmmakers and the film community as we approach the next century.

Sincerely,

Dominic Angerame
Executive Director, Acting Board Member
Canyon Cinema, Inc.

PS In lieu of creating a new issue of the Cinemanews the staff and Board will be focusing its energies into the completion of the projects mentioned above.

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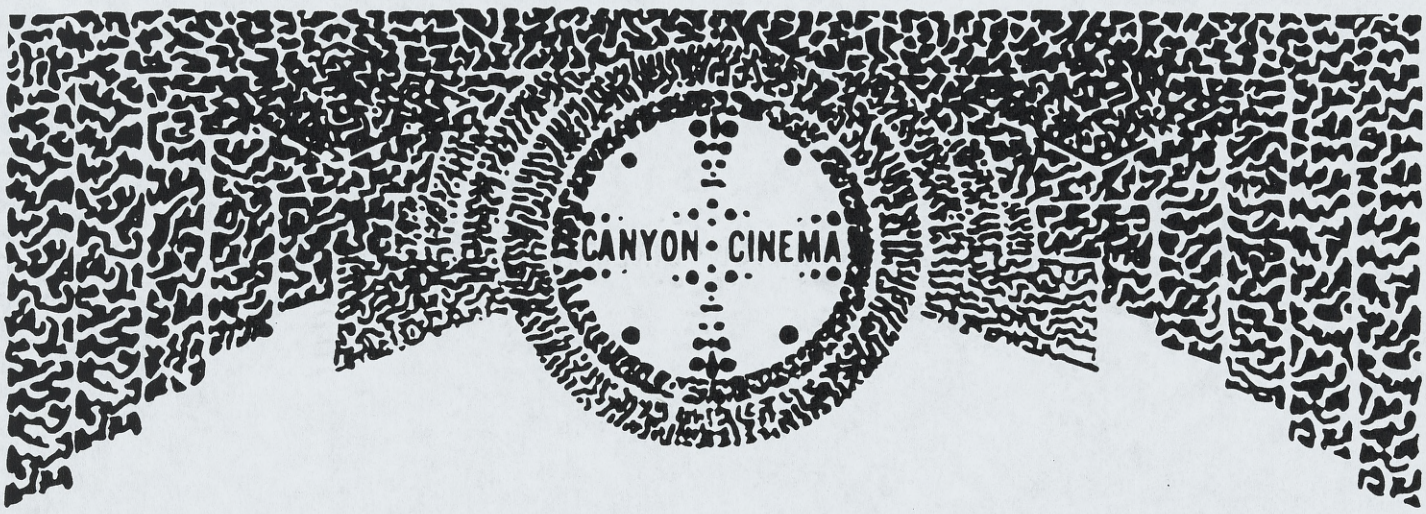

FILMMAKERS AGREEMENT (Page #1)

PLEASE COMPLETE AND SIGN THESE FORMS AND RETURN TO CANYON CINEMA:

1. Canyon Cinema distributes Regular 8, Super 8mm and 16mm films. The fiims submitted must be prints free of splices. Filmmakers must provide a suitable reel, can, and a shipping case for their film when depositing a print for distribution. To aid in the projectionist in focusing. please equip your print with SMPTE or other focusing leader.

2. Prints on deposit at Canyon Cinema remain the property of the filmmaker. Canyon Cinema has the option of distributing prints for a minimum period of three years. Canyon Cinema does not assume any financial responsibility for damage which may occur beyond its control.

3. Rentals paid to Canyon Cinema are credited to the filmmaker's account. The percentage is currently split 60%* to the filmmaker, 40%* to Canyon. Canyon Cinema will contact the filmmaker in case of special rental requests or purchase inquiries.

Filmmakers have the option of leasing for the life of the print any film listed in the he catalog. Canyon requires that a new (never projected) film be deposited or lease purposes only. Prints deposited remain the sole property of the filmmaker until leased. 80%* of the lease price is paid to the filmmaker's and 20%* to Canyon Cinema.

Rental and lease rates are set by the filmmaker. Canyon Cinema recommends rental rate of at least $3* per minute. Filmmakers receive financial accounting for all rentals, leases upon request.

4. In order to list a film in the catalog or supplements filmmakers must supply a 150 word maximum description of the film which may include credits, synopsis, and selected reviews.

5. Distribution Fees are $40* per year payable on March 1st. A portion of the fees are used to help pay for catalogs, publications, development, advertising and correspondences. Members who are delinquent in paying fees forfeit voting rights, and after a 30 days written notice will have their work returned to them C.O.D. Canyon Cinema is not responsible for any work of members who cannot be contacted.

Members living outside the United States are encouraged to designate a proxy in the United States to represent them and receive correspondences.

6. A service charge for handling in the amount of $5* per reel plus postage will be charged for all prints borrowed by filmmakers or returned for delinquency of fees. (over)

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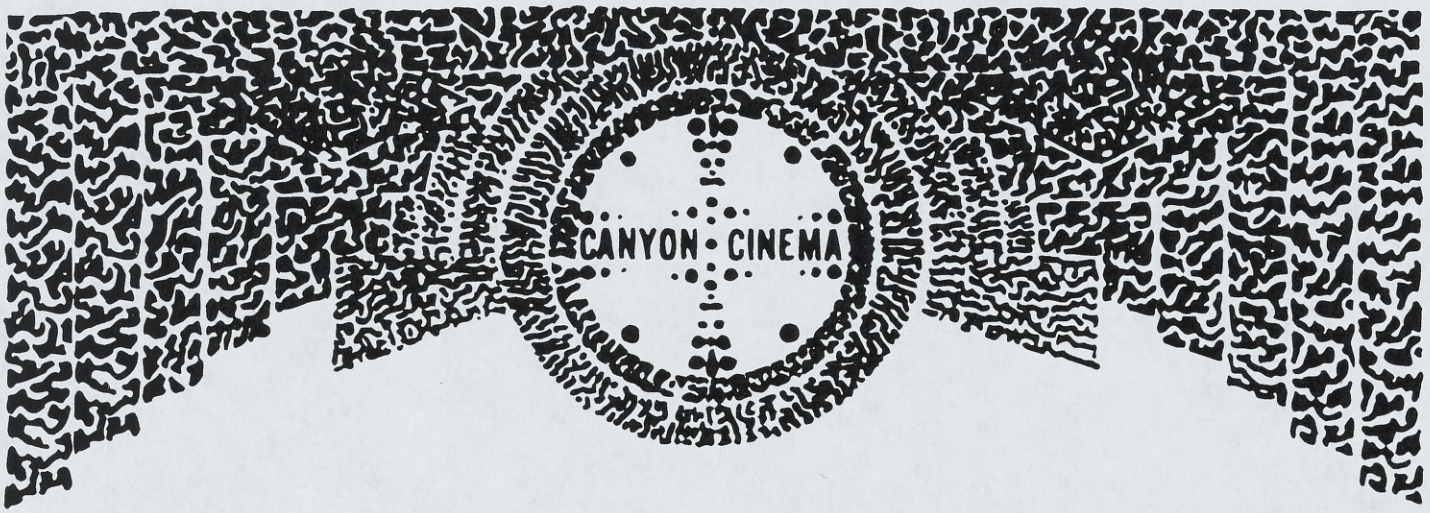

FILMMAKER'S AGREEMENT (Page #2)

7. Videotapes are accepted for lease purposes only. Submission of tapes is open only to shareholders of Canyon Cinema. Videotapes must be of lease quality, unused, fully labeled with title, credits, etc. They must be ready for shipment to the purchaser. The acceptable format is NTSC VHS.

Shareholders must supply catalog copy not exceeding 150 words per titles. A lease price must also be indicated, one for individuals, and one price for Institutions. Lease price is determined by the filmmakers with 60%* of this price being returned to the maker and 40%* retained by Canyon Cinema.

8. Canyon Cinema reserves the right to edit filmmaker's descriptions of films/tapes for electronic publications.

9. Canyon Cinema reserves the right to screen all materials submitted for distribution for in house previews. (over)

10. Filmmaker's Representations and Warranties. Filmmaker represents and warrants that Producer has full authority to grant the rights granted to Canyon Cinema herein; these rights are free and clear of any liens, encumbrances, restrictions, claims of rights inconsistent with or which could adversely affect any of the rights granted herein to Canyon Cinema, and the film as delivered will be free from any outstanding payables of any kind; the grant of rights to Canyon Cinema does not interfere with or infringes on the rights of any third party; all rights to music, story, name, likeness picture, character, dialogue, voice-overs, and literary materials upon which the film is based, and any other materials of any nature whatsoever appearing, used or recorded in the film have been obtained in proper form for the free and unrestricted use and exploitation of the film; that Filmmaker has all the rights necessary to grant the rights to Canyon Cinema herein; that all rights, releases, clearances and/or licenses with respect to all materials and elements in, and all persons participating in or performing services on the Film have bee secured by Filmmaker for duplications and distribution hereunder; that the films duplicated and distributed hereunder will not be infringed upon by any person, firm or corporation and not contain any illegal material; that distribution hereunder will not violate any copyright, trademark, literary, artistic, musical or other rights of any person, firm or corporation, and will not require a payment by Canyon Cinema to any party whatsoever.**

Filmmaker has the right to issue and authorize publicity regarding persons appearing in the paid advertising of billings, has a right to use, reproduce, transmit, broadcast, exploit, publicize and exhibit their names, photographs, likenesses, voices, and other sound effects, as well as recordings, transcriptions, films and other reproduction thereof in connection with the rights granted herein to Canyon Cinema.

There are or will be no restrictions from filmmaker or third parties which could or will prevent, limit or impair Canyon Cinema's rights herein.

**Obscene matter that is generally considered illegal in the United States is child pornography, bestiality, excretory functions, and violence in conjunction with sexual acts. (see next page)

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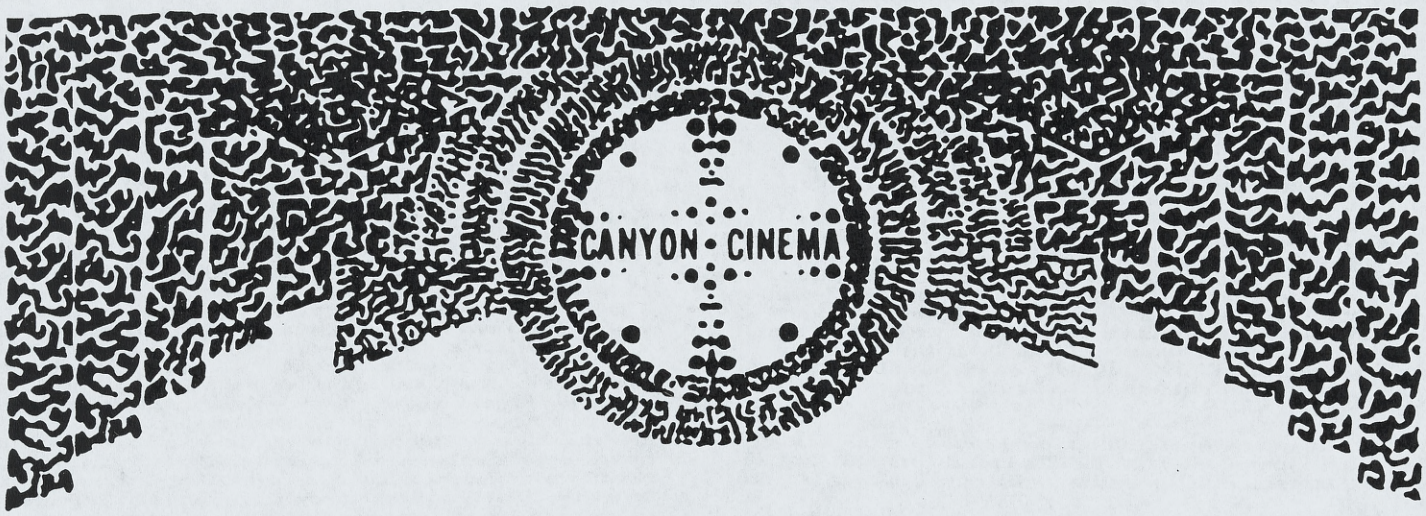

Board Policy Statement Regarding Decease Filmmakers December 10, 1996

Deceased Filmmakers:

1) Canyon Cinema will continue to distribute the films./tapes of members who have died and have no estates . Canyon Cinema will deposit rental income into their accounts and deduct yearly membership fees from these accounts. Their films/tapes will be disposed of when it is determined by the staff or Board that it is no longer in demand..

2) Canyon Cinema will continue to distribute films deposited by Estates representing deceased filmmakers whose films/tapes were placed into distribution prior to the official approval of the revised Articles and Bylaws of 1996. Estates and heirs will not be issued shares and not granted the right to vote for Board of Directors, hold positions as Corporate Officers, nor vote on amendments to the bylaws and other policy matters. Distribution fees, rental and lease privileges will remain as stated in the filmmakers agreement.

CANYON CINEMA BOARD MINUTES--JULY 1996--DEC. 1996

Board Meeting July 11, 1996

Present: Dominic Angerame; Steven Dye; Tim Wilkins; Larry Kless. David Sherman; Sandra Davis.
Absent: Jeremy Coleman.

Agenda: Minute Approval; Computer Go Ahead; Web Site; Funding Sources.

Minutes approved, no changes.

A discussion continues from last meeting about the Update software and hardware- LK makes a motion as to whether DA as approval to go ahead negotiating the development of the Booking Program Update software with NY COOP & Third World Newsreel, and eventual purchasing of hardware (Pentium Computer & Printer) when the software is completed. 2nd by S. Dye. Vote for LK, TW, SD, S. Dye. Against-none.

Discussion about Web Site: There were two responses from the recent mailing outlining the proposed online catalog. Kon Pet Moon was in favor; Alexis Krasilvosky wished to have one of her film descriptions not included. TW feels that the on-line catalog will put filmmakers in legal harms way. SD asks if we need to give FM's another chance to voice their concerns. DA suggests having a limited access site, that requires a password. A password could be given out to renters, but would keep out wandering eyes of the authorities. More discussion ensues-DA says that their should be no discussion made on this until the FM's sign the new agreement. Because the agreement specifically states that the FM's must take responsible for the content and rights of their work. SDye makes motion to table discussion till next meeting- 2nd by LK- All in favor.

DA goes over recent funding adventures. Fleishacker grant has been applied for, and the Yanarack Foundation has encouraged us to apply for this fiscal year. DA also has meet with 2 members of the SF Arts Commission and they have shown interest in finding out how to help raise funds.
SD is working on developing a letter that explains what Canyon Cinema does and why funding is important to us. This letter will be used for test the water for potential funders & foundations. SDye takes the Media Arts Directory and will look for potential funders and make a report back.

BD must organize a dead filmmaker's meeting soon.

Meeting adjourned.
Next meeting 4:30 Tuesday 17th September.
Minutes by DS

(over)

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~~Board Meeting August 16, 1996~~

Present: Dominic Angerame; Steven Dye; Tim Wilkins; Larry Kless; David Sherman; Sandra Davis.
Absent: Jeremy Coleman.

Agenda: Minute Approval; Computer Go Ahead; Web Site; Funding Sources.

Minutes approved, no changes.

A. discussion continues from last meeting about the Update software and hardware- LK makes a motion as to whether DA as approval to go ahead negotiating the development of the Booking Program Update software with NY COOP & Third World Newsreel, and eventual purchasing of hardware (Pentium Computer & Printer) when the software is completed. 2nd by S. Dye. Vote for LK, TW, SD, S. Dye. Against-none.

Discussion about Web Site: There were two responses from the recent mailing outlining the proposed online catalog. Yon Pet Moon was in favor; Alexis Krasilvosky wished to have one of her film descriptions not included. TW feels that the on-line catalog will put filmmakers in legal harm way. SD asks if we need to give FM's another chance to voice their concerns. DA suggests having a limited access site, that requires a password. A password could be given out to renters, but would keep out wandering eyes of the authorities. More discussion ensues-DA says that their should be no discussion made on this until the FM's sign the new agreement. Because the agreement specifically states that the FM's must take responsible for the content and rights of their work. SDye makes motion to table discussion till next meeting- 2nd by LK- All in favor.

DA goes over recent funding adventures. Fleishacker grant has been applied for, and the Tamarack Foundation has encouraged us to apply for this fiscal year. DA also has meet with 2 members of the SF Arts Commission and they have shown interest in finding out how to help raise funds.
SD is working on developing a letter that explains what Canyon Cinema does and why funding is important to us. This letter will be used for test the water for potential funders & foundations. SDye takes the Media Arts Directory and will look for potential funders and make a report back.

BD must organize a dead filmmaker's meeting soon.

Meeting adjourned.
Next meeting 4:30 Tuesday 17th September.
Minutes by DS

~~Review Committee Meeting 9/16/96~~

Present: Dominic Angerame; Tim Wilkins; Jeremy Coleman. The applications for five new members were revieved along with the film descriptions. The filmmakers were: Peter Todd
Jennifer Gyer.
The committee approved all applications and saw no problems with having these filmmakers work represented by Canyon.

Board Meeting October 22, 1996

Present: Dominic Angerame; Jeremy Coleman; Tim Wilkins; Larry Kless; David Sherman.
Absent: Sandra Davis; Steven Dye.

Agenda: Minute Approval; Financial Report; Increase Staff Hours; Computer Update.

Minutes from last meeting taken by JC were never sent out, so copies are made and BD will approve them next meeting.

DA needs bios from TIM, SANDRA and Jeremy for grants documentation What are your qualifications to be on the Board of Canyon Cinema? Please bring these next meeting!!

DA reports that the office account that was in the red last year, is now $1,800 in the red. Business is up and the workload is beginning to tax the current hours of the staff. DA proposes that the staff, DA & DS increase their hours by 3 hours per week. This would put DA at 27 hours/per week and DS at 24. Motion made by LK, 2nd by JC- Approved by BD 3 to 0. This increase will stay in effect as long as its financially possible.

DA & DS report on the progress of computer hardware and software updating. Canyon will purchase a new Dell Pentium computer running Windows 95. David Waren, Canyons computer programmer, recommends this machine and he suggests that the staff get used to running windows before the new software is complete. BD discusses the printer/ fax needed for new system and replacement of broken fax. TW & LK suggest that the office get a laser printer/fax rather than an ink jet.DA will do research on possible models. The staff has been meeting with David Waren to redesign the computer software, the whole process should take about 6 months. The Filmmaker's Cooperative has been sent a contract for the co-production of this software, and we are waiting for its return with a partial payment to get started.

For next meeting the BD needs to hammer out the Filmmakers agreement and the Deceased Filmmakers policy. DA also recommends that the FM handling charge be raised from $0 to $5 per film to cover all of the borrow activity that occurs when filmmakers borrow their own films.

Meeting adjourned.
Minutes by DS
NEXT Meeting Tuesday November 26 @ 9:30 am

Review Committee Meeting 10/22/96

Present: Dominic Angerame; Tim Wilkins; Jeremy Coleman. The applications for five new members were revieved along with the film descriptions. The filmmakers were: Marc Adrian, Ken Steward, Stacey Steers.
The committee approved all applications and saw no problems with having these filmmakers work represented by Canyon.

Board Meeting September 27, 1996

Present: Jeremy Coleman; Sandra Davis; Larry Kless; Tim Wilkins.
Absent: Dominic Angerame; Steven Dye; David Sherman.

Agenda: Follow up on computer; Follow up on Fundraising; Articles & Bylaws; Financial Report

Minute correction from August 16, 1996: SD will talk to a professional fund-raiser and report her findings to the board.

-TW hands out financial report and reads a not from DA that business is up from this time last year and the office account is in the black---business is good.
-TW presents BD a letter he wrote to test out a fundraising strategy. BD states that they like TW's approach. LK states he has not been active in seeking funds at the moment, but has taken classes in grant writing and states he likes how TW's letter emphasizes the catalog. TW states we should emphasize the catalog when asking for funds; we can absorb a new computer with existing funds. SD gives her report on fundraising. She states that the BD should decide what kinds of funds we are looking for; to think in terms of a campaign-investing money to get more money back; we must inform potential funding organizations or individuals of what Canyon does and is plus what we do with their money; about possibly using a third person to specifically write funding proposals to targeted organizations or individuals; this third person must be willing to do research and would work in conjunction with the staff and BD; as a BD we must inform this person of Canyon's purpose and what Canyon does etc...LK suggests as part of the campaign Canyon should publish a 3 fold brochure that lets everyone know what Canyon does. BD agrees we should look into the possibility of hiring a fund-raiser and to talk to DA to see if it is feasible.
-LK states computer prices have gone down and Canyon should shop around for the best deal-to fit our exact needs. We can hold out as long as possible before buying a computers far as the revised booking program, we will wait till it is complete before we buy a new computer. LK motions to delay a computer purchase due to declining computer prices and to wait until the revised booking program is finished. BD agrees.
-LK presents letter concerning the internet and Canadian Filmmakers. LK says it would cost $30 a month for an internet account. TW states he read an article about hidden and unexpected internet fees and we should research this matter. LK presents BD with a packet on how business operates on the internet. Lk also presents a letter from Al Alvarez concerning images in the catalog on the web and people buying those pages. JC states that we should just get on the internet with text, see if the site works and people use it than worry about the images much later.
-TW presents the BD with a revised version of the Articles & Bylaws prepared by Peter Buchanan. BD feels it needs time to look over the revised Articles & Bylaws to discuss them.

Meeting adjourned.
Next Meeting: 3:30 Tuesday 22nd October
Minutes by JC

Board Meeting November 26, 1996

Present: Tim Wilkins; Larry Kless; Jeremy Coleman; David Sherman; Dominic Angerame; Sandra Davis.
Absent: Steve Dye.

Agenda: Minute Approval; Board Statements; Fundraising; Blank's Note; Bi-laws; Deceased Filmmakers; C-News.

Minute correction to September 27, meeting inserting statement of fundraising by TW.
Canyon still needs bio statements from Sandra, which she supplies by the end of the meeting.
Canyon did not receive the Fleishacker grant that we had applied for, no reason was given for our rejection.

Les Blank sent a postcard to the Board expressing his feeling that filmmakers who's work rents should not have to pay dues. Board agrees that in order for Canyon to continue, all members must pay dues, which help support Canyon's many activities and services to filmmakers. Tim sent Les a card explaining the Board's decision..

The Articles of Incorporation have been submitted to the Secretary of State by Peter Buchannan. Approval should take from 4-6 weeks. The Issue of Deceased Filmmakers. The By-laws will be amended to grandfather filmmakers living at the time the By-laws are officially approved. Canyon will continue to distribute films by deceased makers.

The estates of deceased makers can have films distributed as **Associate Members.** Associate Members will not be issued shares of Canyon Cinema , and will not be granted voting rights; however, distribution fees will be annually collected, and distribution percentages will remain the same as living members. It will be the responsibility of the estates of deceased filmmakers to insure the authenticity and integrity of the films they represent. The Canyon Cinema Review Committee will screen said works , to determine if the authenticity and integrity claims of the estates are acceptable.

Living members of Canyon Cinema who die, and do not have estates, may continue to have their films distributed by Canyon Cinema at the discretion of the Board of Directors and Staff.

The next Canyon Cinemanews will will include only business information involving the signing of the new Filmmakers Agreement, and the final version of the By-laws.

Meeting adjourned, NEXT meeting Wed, December 10 @9am. Minutes by DS

Board Meeting December 10, 1996

Present: Tim Wilkins; Larry Kless; Jeremy Coleman; David Sherman; Dominic Angerame. Absent: Sandra Davis; Steve Dye.

Agenda: Board reorganization; NEA Grant; Catalog 8.

Jeremy Coleman has tendered his resignation from the Board of Directors and will be moving to NYC next week.. We all appreciate the time and effort Jeremy has provided in the past few months.

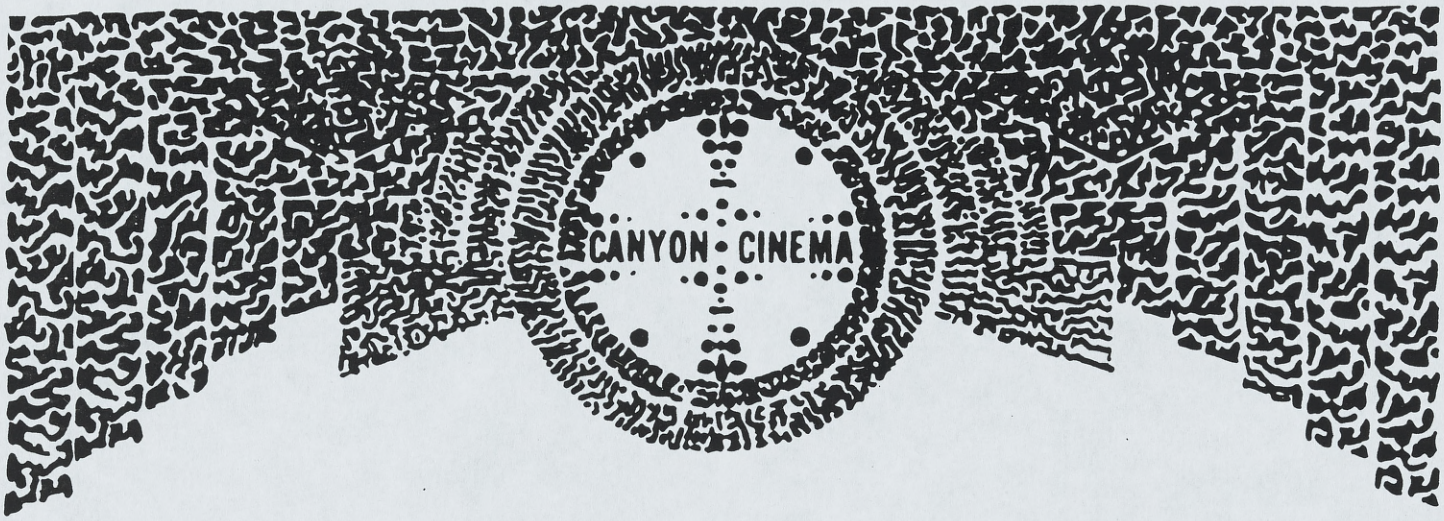
Dominic has agreed to become an acting board member until another appointment can be made by the board realizing that this might be an apparent conflict of interests and he will not vote in matters relating to staff matters.

Canyon Cinema has been unofficially notified that it will receive a $15,000 matching grant to help with publication of Canyon Cinema Catalog 8. This project will cost approx. $42,000 with $12,000 costs in salaries; $20,000 in printing; $5,000 typesetting costs; etc. The staff and Bd. Set up an agenda of notifying members when we receive official notice from Washington near the end of the year. A letter will be sent to members after the mailing with the filmmakers agreement and new amendment to our bylaws.

The filmmakers agreement will be sent out 1/15/97 with a return deadline of 2/14/97. The letter regarding the new catalog will go out March 1, 1997 with deadline of 5/1/97 for catalog copy, photos, etc.....

Lively discussion regarding the new catalog design, layout, ensues with the general agreement that the new volume should be an oversize format 11x14 with major design changes. Canyon cinema will be seeking at least two persons to work off sight, one person being an editor, and the other a proofreader, layout designer.

Meeting adjourned. Next meeting **January 7, 1997 9:30AM At Canyon Cinema** Minutes by Dada



FILMMAKER'S INFORMATION SHEET

Please return this form with your signed Filmmaker's Agreement

1 Your legal name for Canyon's permanent records.

SARA KATHRYN ARLEDGE MEMORIAL TRUST

Your name as you wish listed in the Catalog:

SARA KATHRYN ARLEDGE

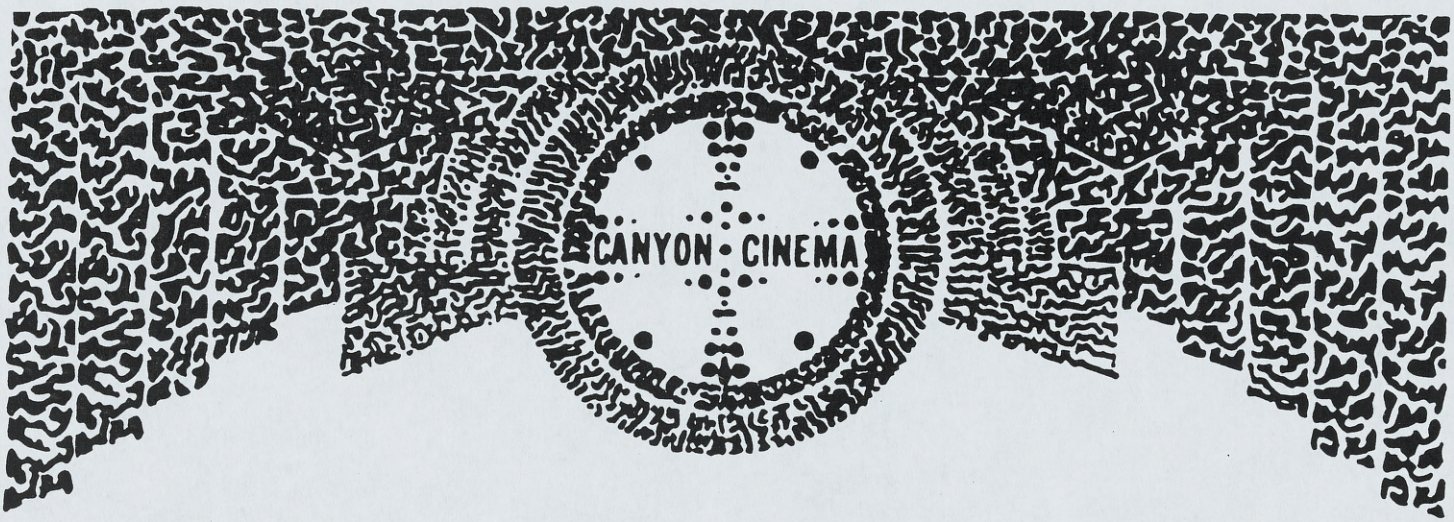
2 Your permanent mailing address:

C/O TERRY CANNON
1531 E. WOODBURY RD.
PASADENA, CA 91104

2b Alternative Address/Contact and phone/fax numbers

2c. (Foreign Shareholders only) Agent in United States authorized to conduct business:

(See other Side)



FILMMAKER'S INFORMATION SHEET (Page #2)

3. Your telephone number: Home (818) 791-7647 Work: (818) 358-6255

Fax Number _____

E. Mail. _____

4. Your social security number: 559-96-9108

5. Are films available to Canyon Cinema for benefit purposes? ✓ Yes _____ No

6. Are you willing to have the staff negotiate fair and reasonable rental fees for theatrical or multiple screenings?
✓ Yes _____ No

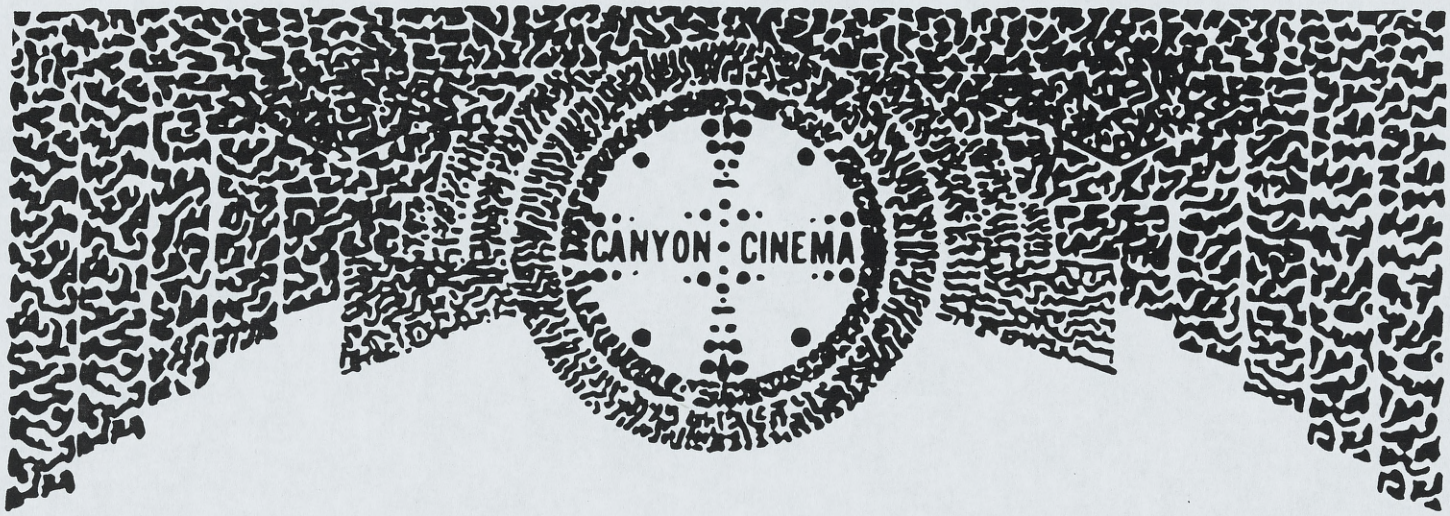
7. Shall Canyon Cinema provide non shareholders with your address ✓ Yes _____ No

8. Shall Canyon Cinema provide non shareholders with your phone # ✓ Yes _____ No

9. For Grant writing purposes please provide your sex _____ Female ✓ Male

What is your ethnic identity CAUCASIAN

Signature Terry Cam Date 2-10-97



FILMMAKER'S AGREEMENT (Page #3)

11. Indemnification. Within the limits of applicable state law, Filmmaker hereby indemnifies and holds Canyon Cinema, its directors, officers, agents, employees, and assigns, harmless from and against any and all claims, damages, costs, liabilities and expenses (including, without limitation, costs, and reasonable attorneys' fees) resulting or arising from or incurred in connection with any breach by Filmmaker of any representation or warranty contained in this Agreement, providing that Canyon Cinema gives Filmmaker prompt notice of any claim or litigation to which indemnification applies and the opportunity to participate in the disposition (by compromise, settlement or other resolution by excluding any omission or wrongdoing by Filmmaker) of such claim or litigation.

12. Governing Law. This agreement shall be governed according to the laws of the State of California as if executed and performed in the State of California.

13. Notices. All legal notices, demands, waivers, consents, and requests which may be given by either party to the other under the terms of this Agreement shall be in writing and shall be sent by United States mail, registered or certified, postage prepaid, return receipt requested, addressed as follows:

To Filmmaker: SARA KATHRYN ARLEDGE MEMORIAL TRUST (Print Name Here)

Address c/o TERRY CANNON
1531 E. WOODBURY RD.
PASADENA, CA 91104

Telephone

(818) 358-6255

To Canyon Cinema 2325 Third Street Suite 338
San Francisco, CA 94107
or to such addresses as shall be furnished by either party to the other. Notices and requests shall be deemed delivered or given when received by the party to whom they are addressed.

14. Arbitration. Any controversy between the parties involving the construction or application of any of the terms, covenants or conditions of this Agreement shall be submitted to binding arbitration in San Francisco, California, at the request of either party, and the arbitration shall comply with and be governed by the provisions of the commercial arbitration rules of the American Arbitration Association. (over)

FILMMAKER'S AGREEMENT (Page #4)

15. Attorneys' Fees. In any dispute between the parties, whether or not resulting in litigation, the party substantially prevailing shall be entitled to recover from the other party all reasonable costs, including, without limitation, reasonable attorneys' fees.

16. Entire Agreement. This Agreement represents the entire agreement between the parties, superseding or replacing all prior oral or written understandings or representations with respect to the subject matter hereof No provision of this Agreement may be waived or amended, except by a written instrument executed by the party to be changed.

17. Construction. This Agreement has been negotiated and approved by the parties hereto and, notwithstanding any rule or maxim of construction to the contrary, and ambiguity or uncertainty in this Agreement shall not be construed against either party based upon authorship of any of the provisions hereof.

18. Accounting will be made in the name of one individual specifically designated by the filmmakers, who is

(print name here) SARA KATHRYN ARLEDGE MEMORIAL TRUST C/O TERRY CANNON

Signature Terry Cannon

Printed Name TERRY CANNON

Address 1531 E. WOODBURY RD.

PASADENA, CA 91104

Telephone: (818) 358-6255

Social Security Number 559-96-9108

*Please note: these rates are subject to change as determined by the Board of Directors.

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

First 95 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	9.00	40.00	31.00	0.00
Credits/Debits This Period:		40.00	31.00	

Adjustments:	DEBIT	CREDIT	ADJUSTMENT DATE
ARLED dues check received	40.00	31.00	5/15/95
Totals:	40.00	31.00	

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

Third 94 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	10.75	100.00	89.25	0.00
Credits/Debits This Period:		0.00	0.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE of SHOW	DATE DISTRIB.
17991 B	CANYO	WHATDO	0	0.00	0.00	9/19/94	10/05/94

What Do Two Rights Make?

To: Canyon Cinema of San Francisco, CA

Credit Distribution for Filmaker ARLED: 0.00

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

First 94 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	10.75	100.00	89.25	0.00
Credits/Debits This Period:		100.00	89.25	

Adjustments:	DEBIT	CREDIT	ADJUSTMENT DATE
ARLED dues check received	25.00	14.25	2/28/94
ARLED dues check received	25.00	25.00	2/28/94
ARLED dues check received	25.00	25.00	2/28/94
ARLED for 1/4 page of photos	0.00	25.00	5/25/94
ARLED for 1/4 page of photos	25.00	0.00	5/25/94
Totals:	100.00	89.25	

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

Fourth 94 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	10.75	100.00	98.25	9.00
Credits/Debits This Period:		0.00	9.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE of SHOW	DATE DISTRIB.
18462 R	94133	INTROSPE	.6	15.00	9.00	1/24/95	2/22/95

Introspection
To: San Francisco Art Institute of San Francisco, CA

Credit Distribution for Filmaker ARLED: 9.00

Although the Office Account is in the red ink, our other accounts remain healthy. The Catalog Account contains more than $4,000; the Development Account contains $5300 and the Advertising Account contains $800. The royalty money held for filmmakers remains completely solvent and there is currently more than $54,000 in the filmmakers royalty account held in the Savings Bank. All royalties are paid to members only upon written or verbal request only.

We would like to encourage all of our members to encourage rentals through Canyon Cinema. We also encourage all our members who are in faculty positions to insist upon film rental budgets to help generate a steady flow of rental requests. Each rental that Canyon Cinema receives helps insure that this organization will be able to survive.

I would also encourage **all** members to please respond immediately regarding the enclosed Articles of Incorporation and By Laws. We welcome the active participation of each member of Canyon Cinema and only with our members help can Canyon Cinema to continue as one of the world's largest and most active distribution center.

Below is stated the particulars regarding the Supplement Publication; and Members Who Owe Dues.

1994 Supplement to Catalog #7

Canyon Cinema will publish another supplement to this summer. It is planned that this volume will be a stapled simple format, and not glossy perfect bound. We have found that it is now necessary to save as much funds as possible for the next major Catalog #8 (due out in approx. five years). With grant monies decreasing yearly it has become important to keep production costs for the supplements down to basics.

This volume will contain descriptions and prices for all new films and tapes received since the release of the 1993 Supplement. We will not print any changes in descriptions for items listed in Catalog #7 and the 1993 Supplement. All new films, tapes, along with descriptions and photographs must be received by **June 15, 1994** in order to guarantee inclusion. Descriptions may not exceed 150 per listing. Members who listings exceed this word limitation will have the material edited by our production staff.

Photos will be inserted into the text and this publication will have the same lay-out and design as Catalog #7. Any member can place a photo into the volume if they wish at the prices designated below.

1/3 page photo (one photo only) for $25: 5 1/4" w X 4" h
1/2 page photo (one photo only) for $40: 7" w X 4" h or 3 1/2" W X 8 1/2 H
1 page photo (one photo only) for $75: 7" W X 8 1/2 H

Photos submitted in dimensions other than those listed above will be cropped and reduced to fit the format upon the supplement designer's discretion.

canyon CINEMA

March 15, 1994

Members of Canyon Cinema,

Best wishes to all our members from the staff of Canyon Cinema. There has been a great deal of activity since our last correspondence. Enclosed in this package is a letter from the Board of Directors regarding the proposed Articles and By Laws, plus a draft of the new Articles of Incorporation and By Laws for membership response and feedback. Also included is information regarding the 1994 Supplement to Catalog #7, and a listing of members who owe membership fees.

The Board of Directors approved a motion at the March 9,1994 Board Meeting to send out letters to the members of Canyon Cinema from the staff--Dominic Angerame and David Sherman and from the Board of Directors--Daniel Barnett and Jefferey Skoller. In addition to these letters the original and proposed new Articles of Incorporation and By Laws will be sent out requesting members to respond with written feedback and comments that will be read, discussed and debated at the open meeting which will be held at 6PM at the Film Arts Foundation, 346 Ninth St, 2nd Fl, SF, CA on April 19, 1994.

A final version of the new Articles and By Laws will then be drafted by the Board of Directors based upon the consensus of the Open Meeting. This version of the Articles and By Laws will then be mailed to all the members for approval. This mailing will also contain ballots for the election of the new members of the Board of Directors.

ANNOUNCEMENT OF AN OPEN MEETING FOR THE MEMBERSHIP OF CANYON CINEMA

There will be a open meeting of the membership of Canyon Cinema on **April 19, 1994 at 6PM at the Film Arts Foundation, 346 Ninth St,. 2nd Fl. San Francisco, CA.** We encourage as many members to attend as possible.

During the past year business has declined more than 15% from 1992-1993. The gross rentals totaled $63,777.44 and sale (film and video) figures totaled $7,570.70. This decline in rentals is due mainly to the state of the economy. The bulk of our renters are Universities and College whose budgets have been cut back. The Office Account ended the year with more than $5,100 in the red. Last year's figures saw the Office Account $1,000 in the red. The increase is due in part to the decrease of film rentals, the continued low interest rates given by the banks, the rise in tax rates, insurance premiums, and the non payment of dues from many of our members.

In order to get the Office Account out of the red ink, the Board has decided to increase membership fees to $40 a year. These fees have not increased in more than ten years. This $15 increase will be placed directly into the Office Account to eliminate this deficit. The Board also approved to decrease the royalty percentages for sales of video tapes from 75% to 60% (which is paid to the makers) and Canyon will be retaining 40% of the sale price.

(over)

2325 Third Street, Suite 338 · San Francisco, CA 94107 · (415) 626-2255

canyon
CINEMA

Supplement Cover Illustration

We request our members to submit illustrations, drawings, and photographs to be considered as a possible choice for the front and rear covers. Deadline for receipt of cover materials will be **August 1, 1993.**

Board of Directors Meeting Minutes

Minutes from the previous year's Board of Directors Meetings are available to all dues paying members upon request.

Members Who Owe Dues

In order for Canyon Cinema to remain fiscally solvent it is necessary that all members pay their membership fees. Many members owe more than one year's fee. We have established a strict policy of returning any member's work whose fees are not paid by May 1, 1994. Attached is a listing of those members and the amount owed Canyon Cinema.

Many members are aware that I was on medical leave from November through December, 1993. Currently I am recuperating well from the triple by-pass heart surgery that was performed and would personally like to thank all the members that sent cards and well wishes during that difficult period. I would also like to thank David Sherman who performed an outstanding job as "Acting Director" during my absence. All of us at Canyon Cinema are looking forward to hearing from you and hope to see many of our members at the Open Meeting. Take care for now.

Sincerely,

Dominic Angerame
Director, Canyon Cinema, Inc.

David Sherman,
Assistant Director

2325 Third Street, Suite 338 · San Francisco, CA 94107 · (415) 626-2255

canyon CINEMA

Members Who Owe Dues

Membership dues are now required to be paid on March 1st for both film and video members. **If your name appears on the attached list it means that you owe $40, if another amount appears next to your name, this is the amount owed which has accumulated from past years.** Please clear up any amount that might be owed. We are currently owed more than $8,000 in membership dues. Dues are important in financing the Supplement production, paying rent. Members who names do not appear on the list, have had dues deducted from the royalty accounts. **Members who have not paid dues by May 1, 1994 will definitely have their films returned COD. Canyon Cinema is no longer able to distribute films by members whose dues are in arrears.**

Gary Adlestein (Films)
John Allen (Films)
Leslie Alperin (Films)
Robert Ascher (Films)
Caroline Avery (Films)
FILM ART BABETH (Films)($65)
Claire Bain (Films)
Gamma Bak (Films)
Craig Baldwin (Films)
Gordon Ball (Films)
Victor Barbieri (Films)
Edgar Barens (Films)
Jerry Barrish (Films)
Le Ann Bartok, RN, HE,
Gorman Bechard (Films)
Andrea Beeman (Films)
Marian Berges (Films)($90)
Richard Beveridge (Films)
Wendy Blair (Films)
Dick Blau (Films)
Beth Block (Films)
Bridgers/Musiek (Films)($90)
Larry Brose (Films)
Adele Brown (Films)
Rudy Burckhardt (Films)
Niccolo Caldararo (Films)

John Carney (Films)
Sylvie Carnot (Films)($65)
Thomas Ciessielka (Films)
Roy Colmer (Films)
Bruce Cooper (Films)
Bill Creston (Films)
Pia Cseri-Briones (Films)
Phil Costa Cummins (Films)
John Cutaia (Films)
Rob Danielson (Films)
Roger Darbonne (Films)
Dirk De Bruyn (Films)($115)
Storm De Hirsch (Films)
Kevin Deal (Films)
Eames Demetrios (Films)
Charles Derry (Films)
A. Keewatin Dewdney (Films)
Wheeler Winston Dixon (Films)
Gary Doberman (Films)
Jane Dobson (Films)
R. Raffaello Dvorak (Films)
Steven Dye (Films)
Craig Ellis (Films)
Leonard Ellis (Films)
William English (Films)($90)

Ellie Epp (Films)($65)
Valie Export (Films)
Ron Finne (Films)
Michele Fleming (Films)
Freude Bartlett (Films)
Sallie Fuchs Howie (Films)
Arlene Garfield (Films)
Dave Gearey (Films)
Jennifer M. Gentile (Films)
David Gerstein (Films)
Amy Greenfield (Films)($90)
David Gregory (Films)
Vincent Grenier (Films)
Varda Hardy (Films)
Martha Haslanger (Films)
Leonard Henny (Films)
Walter Henry (Films)
Todd Herman (Films)
Al Hernandez (Films)($90)
Charlotte Hill (Films)
Henry Hills (Films)
Louis Hock (Films)
Philip Hoffman (Films)
Michael Hoolboom (Films)($65)
Karl Horvath (Films)($65)
Jim Hubbard (Films)
Chuck Hudina (Films)
Takahiko Iimura (Films)
Ken Jacobs (Films)
Christoph Janetzko (Films)($65)
Karen Johnson (Films)($65)
Edward Jones (Films)($65)
Gretchen Jordan-Bastow (Films)($65)
Helene Kaplan (Films)
Marjorie Keller (Films)
Richard Kerr (Films)
Fumiko Kiyooka (Films)($65)
Steve Klocksiem (Films)
Barbara Klutinis (Films)
Thomas Korschil (Films)
Dirk Kortz (Films)($140)
Daina Krumins (Films)
George Kuchar (Films)
Jackie Leger (Films)
Irina Leimbacher (Films)
Howard E. Lester (Films)($65)
Charles I. Levine (Films)
Laurie Lewis (Films)($90)
Leonard Lipton (Films)
Charles Lyman (Films)
Sandy Maliga (Films)
Sean Malone (Films)

Ron Mann (Films)
Josephine Massarella (Films)
Heather McAdams (Films)
Peter McCandless (Films)
Marina Mc Dougall (Films)
Mark McGowan (Films)
David Mclaughlin (Films)
Dan McLaughlin (Films)($115)
Carolyn McLuskie (Films)($90)
Eric Metzgar (Films)
David Michalak (Films)
Scott Miller (Films)
Steve Mobia (Films)
Andy Moore (Films)
Hilary Morgan (Films)
Alan E. L. Mukamal (Films)
Julie Murray (Films)
Jerry Orr (Films)
Steve Osborn (Films)
Vivian Ostrovsky (Films)
Brian Patrick (Films)
Lyle Pearson (Films)
Dena Penniston (Films)
Philip Perkins (Films)
Suzan Pitt (Films)($65)
Danny Plotnick (Films)
Michael Quinn (Films)
Robert Ranberg (Films)
Robert Rayher (Films)
AL Razutis (Films)($90)
Anthony Reveaux (Films)
David Ringo (Films) ($65)
Allen Ross (Films)
John Sabo (Films)
Fred Safran (Films)
Calogero Salvo (Films)
Virginia Sandman (Films)
Rob Savage (Films)
Caroline Savage-lee (Films)($90)
Robert Schiappacasse (Films)
Joel Schlemowitz (Films)
Gary Schwartz (Films)
Loren Sears (Films)
Elizabeth Sher (Films)
David Simpson (Films)
Joel Singer (Films)
Jeffrey Skoller (Films)
Greta Snider (Films)
Ines Sommer (Films)
Warren Sonbert (Films)
Alan Sondheim (Films)
Barbara Sternberg (Films)

Zack Stiglicz (Films)
Jeff Stookey (Films)
Bill Storz (Films)
Laurisa Stubblefield (Films)
Moira Sweeny (Films)($90)
Andras Szirtes (Films)
Jerry Tartaglia (Films)
E. S. Theis (Films)
Tom Triman (Films)
Tyler Turkle (Films)
Willie Varela (Films)
Harrie Verstappen (Films)
Michael Wallin (Films)
Jack Walsh (Films)
Phil Weisman (Films)
Betsy Weiss (Films)
Fred Wellington (Films)
Chris Welsby (Films)
Doug Wendt (Films)
Ted White (Films)($90)
Timoleon Wilkins (Films)
Al Wong (Films)
Bruce Wood (Films)
Charles Wright (Films)
Janis Mattox (Films)
Jonathan Robinson (Films)
W. C. Thompson (Films)
Ruth Weiss (Films)
Maurice Lemaitre (Video)($65)

2325 Third Street, Suite 338 · San Francisco, CA 94107 · (415) 626-2255

canyon
CINEMA

March 9, 1994

Dear Fellow Canyon members;

It has been nearly nine months since we wrote to you indicating that we were about to update Canyon's articles and by-laws. In that time we have done much research. We have looked at the history of our own organization, how other media organizations are structured and have talked with several lawyers who specialize in the legalities of alternative organizations such as ours. Enclosed are the results of our work. In writing this document we have worked hard to articulate the unique historic vision and philosophical framework of Canyon, as well as to create a precise and democratic process in the administration, decision making and electoral processes for the way Canyon functions currently. As you may know Canyon was formed in the late 60's when the membership was largely from the Bay Area and the functioning of Canyon was much more centralized. Today the Canyon has its membership located all over the world. This has made all the processes of administration much more complex. We think this new document better reflects our current reality. We have created guidelines for how decisions are made and the ways in which the membership can have a voice as individuals and collectively.

In this new document we have carefully laid out the process for how decisions are made by the staff, the board of directors and the membership including the ways that the membership can have redress within the organization. We have made sure this document is fully within the legal bounds in the State of California and that the running of Canyon fits into those laws. We have retained the legal counsel of Felicity Hammer who has much experience with organizations such as ours. She has made sure that Canyon is operating both within the letter and spirit of the law, and that the organization, its members and our films are fully protected.

Enclosed you will find a copy of the original articles and by-laws for your reference and the update for your consideration. To give the membership the most input, we would like you to read each article and by-law, make comments, and if necessary make suggestions as to how we might improve or better articulate that specific article. **Please send your comments back to Canyon by April 14.** Your comments will be taken into consideration at the April 19th membership meeting here in San Francisco. After that meeting we will resubmit the final draft that comes from that meeting to you to be voted on for adoption. As you know there are over 400 members in the Canyon and this seems to be the most democratic and efficient way to represent each members opinion.

We realize that this is a lot of material to digest and form opinions about. However, I cannot urge people more strongly to register your opinions, comments and ideas about this document. It will be the major road map to guide Canyon into the future. The democratic nature of our organization depends on your participation.

The Board is very excited to present this to the membership, and hopes that it contributes to the on going success and vitality of our organization.

Humbly Submitted, Jeffrey Skoller, President, Board of Directors

(over)

2325 Third Street, Suite 338 · San Francisco, CA 94107 · (415) 626-2255

canyon
CINEMA

March 10, 1994

To the membership:

Enclosed are the new articles, bylaws, a letter from Jeff and a letter from Dominic. This additional letter is to flag an issue for your attention - it is controversial and we want to point it out in case you skim the new A&B and miss it. We've isolated the issue in Article II, Section B, and also in bylaw I a, which states that you can become a member of Canyon by submitting ***work.*** *We are intentionally leaving the door open to the eventuality that someday Canyon* ***might*** *want to include in its collections* ***work*** *of an as yet undefined medium or media that is/are not film, and include in its membership individuals who are makers in these other , perhaps as yet non-existent media* The provision does not say that we will, or that we want to, but that we as board members would like to leave that possibility **open for a vote of the membership in the future** without having to go through the process of re-amending either by-laws or articles of incorporation.

We are aware that there is a vocal portion of the membership who strenuously objects to the possibility that any works other than film works ever be part of the collection, but we as board members feel we have an obligation to look to the future and secure whatever possible means may be required to preserve Canyon and its **film** collection. As should be clear by the inclusion of this inflammatory term, a majority of the board members (all) believed this to be a prudent gesture. Much of this process stems from our recognition that there is strong disagreement among some portion of the membership. It is crucial that we understand how strong these feelings run, and in what proportion of the membership.

We expect this issue to be a major point of contention, not only for the passage of the by-laws by the membership, but also at the meeting, and the board feels (not unanimously) that the more input on this issue from the members who are not expecting to be at the meeting, the more representative discussions and decisions can be.

In order for us to represent your point of view we must know your point of view - **please clue us in.**

Thanks greatly,

Dan Barnett

2325 Third Street, Suite 338 · San Francisco, CA 94107 · (415) 626-2255

ARTICLES OF INCORPORATION

OF

CANYON CINEMA, INC.
(a non-profit corporation)

FILED
APR 17 1967

I

The name of this corporation shall be:

CANYON CINEMA, INC.

II

The purposes of this corporation shall be:

(a) The specific and primary purposes are to establish and operate for educational purposes an organization which will conduct classes and workshops in the preparation and production of high quality non-commercial cinematic works of art, and which will promote the making of high quality cinematic works of art of a non-commercial nature.

(b) The general purposes are:

1. To promote the distribution of high quality cinematic works of art to the public.

2. From time to time to make available to the public at free showings or at a low cost, the films produced by its members and other films which are made available to it by members of other similar non-profit organizations.

(c) This corporation shall have and exercise all rights and powers conferred on a corporation under the laws of the State of California; provided, however, that this corporation is not empowered to engage in any activity which is inconsistent with the purposes set forth in sub-paragraphs (a) and (b) above.

(d) This corporation is organized exclusively for educational purposes and no part of any of its net earnings

No restriction of right to amend articles

A copy of the original Articles of Incorporation and By Laws for Canyon Cinema submitted to the State of California in 1967.

shall inure to the benefit of any member.

III

This corporation is organized pursuant to the general non-profit corporation law of the State of California.

IV

The county in the state where the principal office of the corporation for the transaction if business is located in the City and County of San Francisco.

V

The number of directors of this corporation will be four. The names and addresses of the personswho are to act in the capacity of directors until the selection of their successors are:

Lawrence C. Jordan	15 Allyn Avenue San Anselmo, California
Benjamin Van Meter	2255 Sutter Street San Francisco, California
Robert Nelson	902 Corbett San Francisco, California
Bruce Baillie	263 Colgate, Berkeley, California

VI

The authorized number and qualifications of members of this corporation, for voting and other rights and privileges of the members, and their liability to dues and assessments, and the method of collection thereof shall be as set forth in the By-Laws.

VII

This corporation is one which does not contemplate pecuniary gain or profit to the members thereof. It is organized solely for non-profit purposes. Upon the winding up and dissolution of this corporation after paying or adequately providing for the debts and obligations of the corporation, the remaining assets shall be distributed to a non-profit fund,

foundation or corporation which is organized and operated exclusively for educational and/or scientific purposes, and which has established its tax exempt status under § 501(c)(3) of the Internal Revenue Code. If this corporation holds any assets on trust, such assets shall be disposed of in such manner as may be directed by decree of the Superior Court for the county in which this corporation's principal office is located upon petition therefor by the attorney general or by any person concerned in the liquidation.

VIII

The name of the unincorporated association which is being incorporated is Canyon Cinema.

IN WITNESS WHEREOF the undersigned being the president and secretary respectively of Canyon Cinema, an unincorporated association which is being incorporated hereby, have executed these Articles of Incorporation this 20th day of February, 1967.

Lawrence C. Jordan, President

Earl E. Bodien, Secretary

STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO } ss:

On this 21st day of February, 1967, before me, a Notary Public for the State of California, with principal office in the City and County of San Francisco, personally appeared LAWRENCE C. JORDAN and EARL E. BODIEN known to me to be the persons whose names are subscribed to the within Articles of Incorporation, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year first above written.

ADA HARRIS
NOTARY PUBLIC-CALIFORNIA
CITY AND COUNTY OF
SAN FRANCISCO

Ada Harris, Ada Harris

Notary Public
in and for the City and County of
San Francisco, State of California

My Commission Expires October 23, 1968

AFFIDAVIT

STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO } ss:

LAWRENCE C. JORDAN and EARL E. BODIEN being first duly sworn, each for himself, deposes and says:

That Lawrence C. Jordan is the president, and that Earl E. Bodien is the secretary of Canyon Cinema, the unincorporated association mentioned in the foregoing Articles of Incorporation; that the said association has duly authorized its incorporation and has authorized the undersigned, as said officers, to execute the Articles of Incorporation.

Lawrence C. Jordan, President

Earl E. Bodien Secretary

BY-LAWS OF

CANYON CINEMA, INC.
(A Non-Profit Corporation)

ARTICLE I

The principal office of this corporation is hereby fixed and located at 58 Verona Place, San Francisco, California. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another in the City and County of San Francisco. Any such change shall be noted by the Secretary opposite this Section, but shall not be construed an amendment of the by-laws.

ARTICLE II

There shall be one class of members of the corporation; any film maker, or any one interested in film making shall be eligible to apply for membership in the corporation. Applications for membership shall be in such form as shall be prescribed by the Board of Directors.

ARTICLE III

Members shall be persons of responsibility, integrity and high standing in the communities in which they reside. A member shall be admitted to membership only upon approval by the Board of Directors, or upon approval by such membership committee, or membership secretary, as the Board of Directors may, by resolution have authorized to admit members.

ARTICLE IV

A membership shall terminate upon the death or resignation of the member, or upon his expulsion by a majority of the Board

of Directors. A member may be expelled for non-payment of dues, or for conduct which the Board of Directors shall deem inimical to the best interest of the corporation.

Prior to its consideration of such expulsion, the Board of Directors shall serve said member personally with reasonable notice of the specific charges against him, and provide him with reasonable opportunity to be heard in his defense.

ARTICLE V.

All dues or special assessments shall be determined by the Board of Directors, and notice of the same mailed by the Treasurer to all members of the corporation. If any member who fails to pay dues or special assessment within ninety (90) days after the mailing shall have notice of the same, shall thereby forfeit automatically his membership in the corporation in any directorship office or committee membership held by him.

ARTICLE VI

Annual meetings of the members shall be held at 8:00 P.M., on the third Tuesday of April of each year, and special meetings of the members may be called and held as may be ordered by the directors, or by a majority of members. Notice of meetings of members shall be given each member not less than five (5) days before such meeting by mailing a copy of such notice to the address of each member as it appears on the membership register of the corporation.

ARTICLE VII

All members shall have equal voting and other rights.

Each member shall be entitled to one vote which may be cast in person or by proxy.

ARTICLE VIII

The presence in person or by proxy of one-fifth of the members of the corporation shall constitute a quorum for the transaction of business at any meeting of the members.

ARTICLE IX

Directors shall be elected at each annual meeting of the members, but if such annual meeting is not held, or directors are not elected thereat, the directors may be elected at any special meeting of the members held for that purpose. All directors shall hold office until their respective successors are elected.

ARTICLE X

Meetings of the Board of Directors shall be called and held as may be ordered by the Directors. A majority of the authorized number of directors shall be necessary to constitute a quorum for the transaction of business. Every act or decision done or made by the majority of the directors present at a meeting duly held at which a quorum is present, shall be regarded as an act of the Board of Directors unless a greater number is required by law. The transaction of any meeting of the Board of Directors however called and noticed, and wherever held, shall be as valid as though had at a meeting duly held, and each of the directors not present approves in writing the minutes of such meeting. All such approval shall be filed with the Directors of the corporation, or made a part of the minutes of the meeting.

ARTICLE XI

Any vacancy on the Board of Directors caused by the death, resignation or disability of a director shall be filled by a majority of the remaining directors, or by the sole remaining director. Directors shall receive no compensation for their services, but may receive such reimbursement for expenses as may be fixed by resolution of the Board.

ARTICLE XII

The officers of the corporation shall be the President, Vice President, Secretary and Treasurer. The corporation may also have such other officers as may be appointed by the Board of Directors.

ARTICLE XIII

The officers shall be chosen annually by the Board of Directors, and each shall hold his office until he shall resign, be removed or otherwise disqualified to serve, or his successor shall be elected and qualify.

ARTICLE XIV

The Board of Directors may authorize any officer or officers to enter into any contract, or execute any instrument in the name of, and on behalf of the corporation, and such authority may be general or confined to specific instances, and unless so authorized by the Board, no officer shall have any power or authority to bind the corporation by any contract, or engagement or to pledge its credit, or to render it liable for any purpose or in any amount.

ARTICLE XV

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in

the California general Non-Profit Corporation Law shall govern the construction of these by-laws.

ARTICLE XVI

New by-laws may be adopted, or these by-laws may be amended or repealed by the vote of the members entitled to exercise the majority of the voting power of the corporation, or by the written assent of such members except as otherwise provided by law, or by the Articles of Incorporation. Subject to the right of the members as provided in this article to adopt, amend or repeal by-laws, any by-law other than the by-law amendment thereof changing the authorized number of directors may be adopted, amended or repealed by the Board of Directors.

CANYON CINEMA

MEETING: There will be another of the regular monthly membership meetings on Sunday, March 31, 8 p.m., at Intersection, 756 Union St., San Francisco.

ELECTION: The Board of Directors has proposed that the election of a new Board (which by the by-laws is to take place on the second Tuesday of each April) should proceed by the following method:

Following tabulation of results of the ballot (see below) to amend the by-laws, all members will receive a list giving the names and cities of residence of Canyon Cinema members.

Depending on the results of the by-law amendment ballot, members will select either five or four persons to represent them on the Board of Directors. There will be no nominating committee.

CHANGE IN BY-LAWS: The Board of Directors of Canyon Cinema, Inc., proposes that the number of Directors be increased to five instead of remaining at the present number of four. To accomplish this, and to formally set the number in the by-laws, the following amendment of Article 9 of the by-laws is suggested (the proposed addition is underlined):

ARTICLE 9

The authorized number of Directors shall be five until changed by amendment of the Articles of Incorporation or as a by-law duly adopted by a majority of Members. Directors shall be elected at each annual meeting of the Members, but if such annual meeting is not held, or Directors are not elected thereat, Directors may be elected at any special meeting of the Members held for that purpose. All Directors shall hold office until their respective successors are elected.

RESTATED ARTICLES OF INCORPORATION OF CANYON CINEMA INC.

March 9, 1994

ArticleI: The name of this corporation shall be CANYON CINEMA, INC.

ArticleII: **a)** Statement of purpose: This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law. Canyon Cinema, Inc. shall always remain dedicated to the support and promotion of motion picture film. Should any other media be incorporated into Canyon Cinema, Inc., it will in no way jeopardize Canyon's mission to distribute work on film.

b) CANYON CINEMA, INC. is a democratic, non-discriminatory outlet for the distribution of independent film. It is a membership organization which any filmmaker may join by paying a yearly membership fee and depositing work. The members write their own catalog descriptions and establish their own rental fees. Members collect the majority of the rental fee and the prints remain the property of the filmmaker. It is Canyon Cinema Inc.'s policy not to promote any one film over another but only to promote the entire organization. The policy of Canyon Cinema Inc. requires that all films be deposited by their makers, or if the maker is deceased, that these works are authorized for distribution by the relatives or estate of the deceased filmmaker. Canyon Cinema Inc. is committed to adapting itself to the needs of a continually evolving media marketplace.

c) The general purpose of this corporation is to promote the distribution of high quality cinematic works of art to the public.

ArticleIII: This corporation shall have and exercise all rights and powers conferred on a corporation under the laws of the State of California. Provided, however, that this corporation is not empowered to be engaged in any activity which is inconsistent with the purposes set forth in articles I and II.

Article IV: The principal office of this corporation is hereby fixed and located at 2325 Third Street, suite #338, San Francisco, CA 94107. The name of the current agent for service of process is Dominic Angerame.

Article V: The number of the board of directors shall be no less than five. The term for a director shall be two years. A director may run for re-election at the end of his or her term. The current members of the board of directors are Claire Bain, Daniel Barnett, Jeffrey Skoller, Linda Tadic and Michael Wallin.

Article VI: Canyon Cinema Inc. does not discriminate against any individual on the basis of race, ancestry, place of origin, color, ethnic origin, creed, religion, gender, sexual orientation, age, marital status, or disability.

BYLAWS OF CANYON CINEMA INC.

I. Membership:

a) The membership shall consist of individuals who have paid their full membership fees and have deposited their work at Canyon Cinema Inc. Annual membership fees shall be set by the board of directors and may from time to time be changed.

b) If not paid by March 1 of each year, fees will automatically be deducted from a member's rental share by Canyon Cinema Inc. staff. Members whose fees are not paid will be given fair and reasonable written notice of Canyon Cinema's intention to terminate their membership and have their works returned to them. Members will have a full and fair opportunity to respond within 45 days of this notice. The board will consider cases on an individual basis.

c) Deceased members will continue to have their fees deducted from their rentals. If there are no rentals or an executor from whom to draw rental fees within the past two years, the disposition of that members works shall be determined on an individual basis by the board of directors.

d) All members will have equal voting rights in electing board members and voting on policy issues. Members have specific voting rights on matters materially affecting substantive policies of the corporation. A member will be eligible to vote on the date all qualifications as stated in Bylaw Ia have been met. The voting procedure shall be as follows:

1) Members are entitled to one vote each.
2) Voting on all elections and referenda shall be by signed and dated ballot only.
3) A simple majority of votes cast is necessary to carry out a motion.
4) Notice of the questions to be considered, together with a ballot shall be mailed to the members at least thirty days prior to the annual general meeting.
5) Balloting results for elections and referenda shall be reported at the annual general meeting and by mail.

e) Extraordinary Resolutions: Amendments to the articles of incorporation and/or bylaws, must be confirmed by a 2/3 majority of the members' votes cast. Notice of changes to bylaws or articles of incorporation must be given in writing to all members together with a copy of the original article(s) and/or bylaw(s) to be changed, at least 30 days prior to the vote. The results of the vote will be reported at the annual general meeting and by mail.

II. Board of Directors:

a) The affairs of this corporation shall be managed by a board of five directors, each of whom at the time of election shall be a member of the corporation. Each director shall be elected to hold office for a period of two years. The board of directors shall have the power to determine. administrative. policies. Major policy changes require membership approval.

b) The Board of Directors shall have the authority to appoint and remove, the following corporate officers:

1. President. The president shall preside at all meetings of the membership and the Board of Directors. The president shall have the powers, and perform the duties, customarily incident to this office, and other such powers and duties as may be assigned to her/him by the Board.

2. Secretary. The secretary shall keep minutes of all meetings, proceedings, and actions of the Board, and of members' meetings. The minutes of meetings shall include the date, time and place of meeting; whether the meeting was annual, general or special; the names of attending directors; the nature of the issues under discussion; the results of voting and actions receiving Board authorization.

3. Chief Financial Officer. The chief financial officer shall keep and maintain adequate and correct books and accounts of the corporation's transactions. These records shall be open to inspection by directors and members upon reasonable request.

c) Election procedure: Any member whose dues are paid is eligible to run for the board. At least 30 days before the annual membership meeting candidates statements will be mailed to the membership. Members mail in their ballots, which will be counted at the annual general membership meeting. A simple majority of votes will determine the outcome . In the event of a tie all members of the out going board will determine the result. Board members are eligible to run for unlimited consecutive terms.

d) Three of the directors shall form a quorum for the transaction of business. The board of directors may hold its meetings at such place or places as it may from time to time determine. Any director may call a meeting. All directors must be notified of the meetings, unless they have specifically signed a waiver. Any member shall be allowed to attend a meeting of the board of directors. Such a request must be received by Canyon Cinema Inc. no less than 10 days prior to a designated meeting. The minutes of each meeting shall be recorded and made available to the membership upon request.

e) Questions arising at any board meeting shall be decided by a majority of votes. All votes at any such meeting shall be taken by ballot if so demanded by any board member present, but if no demand is made, the vote shall be taken by verbal assent or dissent. In the absence of the President, his/her duties may be performed by another member of the board.

f) Should vacancies on the board occur, the board of directors may appoint a new board member from among the members of the corporation, if the board of directors sees fit to do so. If there is not a quorum of directors, the remaining board members shall post an election. If the board of directors does not appoint a member to fill a vacancy on the board, corporation members have the right to demand an election. Board members appointed or elected to fill vacancies shall serve the remainder of the term of the board member whom they have replaced, and must be re-elected at the end of that term if they wish to continue to serve on the board.

g) No board member, corporate officer or employee of this corporation shall be held personally liable in any action brought against an individual member or the corporation. Further, no board member, corporate officer or employee of the corporation shall be held financially responsible for debts or liens against the corporation. The provisions of this section are only applicable if duties are performed in good faith, in the best interest of the corporation and with reasonable, prudent care.

III. Administrative Director and Assistant Administrative Director:

The Board of Directors shall have the authority to hire an administrative Director and an Assistant Administrative Director. Their duties shall be to manage the activities of, conduct the affairs of, and be responsible for the day-to-day operations of the corporation.

IV. Annual and other Meetings of Members:

a) Annual general membership meetings shall be held the third week of April of each year. The results of the election to the board of directors and major referenda that were put to the membership for a vote during the year shall be reported. A general state of Canyon Cinema Inc. shall be presented. With fourteen days prior written notice, any member may request that any business, either special or general, be added to the agenda for consideration.

b) The board of directors shall have power to call at any time a special meeting of the members. Notice as to time and place shall be sent to the membership at least 14 days in advance of the posted date of the meeting.

c) Special meetings of the membership may be called and held by no less than 15 members. Notice as to time, place and nature of the business to be discussed shall be sent to the membership at least 14 days in advance of the posted date of the meeting.

V. Verification:

IN WITNESS WHEREOF, for the purpose of forming this nonprofit corporation under the laws of the State of California, the undersigned officers have executed these articles of incorporation this _____ day of _____ 1994.

NAME

_____

Title

NAME

_____

Title

canyon
CINEMA
2325 Third Street, Suite 338
San Francisco, CA 94107
(415) 626-2255

SAN FRANCISCO, CA
PM
MAR 18
1994

Sara Kathyrn Arledge
C/o Terry Cannon
1531 East Woodbury
Pasadena, CA 91104

canyon CINEMA

work already in Canyon. And while supporting this work, the younger generation is trying see how Canyon can be a viable place from which to distribute new moving image media. While Canyon has a membership whose films span nearly five decades it is still the first generation of canonized films that rent with the most frequency. This raised the issue of the long standing Canyon policy that it will not promote any single work over another. Some of the members present felt that the dues from members whose films were not being rented were in effect subsidizing those members whose films did rent. There was a call to consider ways in which a wider range of Canyon's films and the organization as a whole could be more visible. Ideas of creating film packages that would be promoted, wider advertising etc. was discussed.

Calls for the establishment of subcommittees to deal with the myriad of issues now facing Canyon was made although none were formed. The meeting ended with a call to continue working on the the writing of the Articles and By-laws by a member and Board subcommittee which would take into consideration all input from the letters written and opinions voiced at the meeting.

The members present thanked the out going Board members for their work creating the restated Articles and By-laws which would be the basis for revision. The Board and membership present also thanked Bruce Conner for his work as a catalyst in the organizing of the meeting and his passionate commitment to Canyon's ongoing vitality. People left after 10 pm feeling for the most part that the meeting had been a productive and vitalizing reopening up of the issues concerning Canyon Cinema's future.

In closing, issues of change and the rethinking of long standing policies are always difficult and complicated. This is especially true when organizations are as committed to being as open and democratic as Canyon is. It has been very disturbing and insulting to the current Board of Directors to read the mean spirited accusations from Bruce Conner and Robert Nelson in their letters to the membership stating that the current Board has been operating autocratically, in secret and has been discouraging the membership's involvement in the formation and revision of Canyon policy. **This couldn't be further from the truth.** Given the time and financial limitations the Board has worked under, we have communicated information and developments to the membership as frequently and as openly as possible. The Board is always asking for the involvement and participation of the membership. The Board meetings have always been open to any member to attend. Our strong position against proxies and binding votes at the San Francisco meeting came from a desire to give the entire membership a say in policy making rather than limiting it to people in the Bay Area. This Board's initiative to rewrite the Articles and By-laws came from an impulse to create systems which allow for ways to make future policy revisions work more smoothly as well as to make sure that as a corporation we are functioning legally. All of this comes from our deep commitment to the kind of "work" that Canyon Cinema represents. We encourage members to request copies of the minutes of Board meetings, to call and write Canyon to ask questions and give advise and vote for the new Board members in this upcoming election.

Submitted (for the Board of Directors),

Jeffrey Skoller

canyon
CINEMA

May 25, 1994
To: Canyon Cinema Membership

The following is the Board's report on the April 19th membership meeting that took place in San Francisco. Also enclosed are the minutes taken at the meeting, statements by the four nominees for the election to fill the positions of the three out going Board members: Michael Wallin, Jeffrey Skoller and Linda Tadic. Also enclosed is a letter to the members from Mr. Bruce Conner.

In our last letter the Board requested feedback and suggestions on the restated Articles and Bylaws we had written as well as member's thoughts and comments on the issue of possible video distribution. This drew a wealth of responses from all over the country. Over two dozen letters were written with suggestions for how Canyon might think about the incorporation of the so-called new technologies into its distribution. Copies of these letters are available to the membership upon request.

As expected the April 19th meeting was difficult, contentious and quite interesting. The beginning of the meeting was marred by what became an unbridgeable difference between member Bruce Conner and those members attending the meeting over what the nature of this meeting was to be. Despite the fact that the original Articles and Bylaws (written in 1967) stated that all elections and decisions would take place at an annual membership meeting and voting would be done by proxy, for all who could not attend, for the last twenty plus years all voting for the Board of Directors and other major decisions have been made by mail. In keeping with this historical tradition of one person one vote by mail, the current board decided to hold a membership meeting that would be used as a forum for local members to discuss the above issues and then report the results of the discussion back to the full membership as an aid to help the membership vote on the restated articles and by-laws.

Bruce Conner began a campaign to insist that the April 19th membership meeting be held to the letter of the 1967 Articles and Bylaws in which proxies would be gathered and binding votes for Board elections and other business would be made at this meeting. After weeks of negotiations between Mr. Conner, the Board, other members as well as lawyers representing both Mr. Conner and Canyon Cinema, Mr. Conner insisted that the meeting be held using proxy votes and he solicited proxies from members nationally. Consistent with its belief in Canyon's tradition of one person one vote, the Board maintained that voting in this meeting would be non-binding and advisory. By the week of the meeting, Mr. Conner had accumulated 48 proxies which meant that his single vote was worth 49 votes. At this point some Board members and local members felt that Mr. Conner was so misrepresenting the Board's activities in his solicitation of proxies, that several local members began to solicit proxies themselves. 32 proxies were received.

As you can see from the enclosed minutes, the meeting began with the reading of the Board's agenda items. Mr. Conner made a motion to add items to the agenda which included the immediate election of a new board of directors at the meeting. (See page one of the minutes). A discussion about the validity of the proxies ensued. For the next hour and a half a futile discussion took place between the attending members and Mr. Conner over the form and legalities of this meeting, this included discussion of the adoption of the agenda (Conner's and/or the Board's) and whether or not the votes that were cast at this meeting were to be binding or

advisory. It became clear to the members present that with 49 votes Mr. Conner would be able to control all binding votes made that evening. In a near unanimous vote, those present concurred with the Board that Mr. Conner's demand for a new election of the Board that evening excluded the majority of Canyon's membership in the election process. At that point, the meeting became frozen in a mire of Robert's Rules of Order, motions and cross motions. After an hour and a half no agenda had been agreed upon. Finally a motion was made, seconded and passed to adjourn the "official" meeting and continue the evening's proceedings outside of the official context of the meeting, so that those present could proceed with discussions about the updated Articles and Bylaws and questions around the viability of video distribution. **This motion and vote to adjourn the meeting was made by the entire group present. This was not a decision made by the Board.** An unofficial meeting continued. The floor was open for Board nominations amongst the people present. Four people chose to run. (After the meeting the Board called and solicited all of the Bay Area members to run for the Board). What ensued after this was a lively and productive discussion--with the full participation of Mr. Conner--which ranged over several issues regarding the wording of the Articles and Bylaws.

The use of the word **WORK** to denote film as well as all of the possible future moving picture forms that could become included in Canyon (eg: video, laser disc, CD-rom, installation etc.) was the major point of contention--it was felt that it is too vague a term and didn't denote film specifically enough. There was a suggestion that the word "work" be replaced by with "films and other moving image media". Bruce Conner and Timoleon Wilkins spoke passionately for a "film only" organization. Others spoke of the inevitability of new technologies and they must be included if Canyon was to remain vital. Fred Padula and Doug Wendt spoke of these technologies as ways to preserve this film collection and Canyon must make these new technologies "work for us". The question of who would control Canyon if video members were admitted became a issue. Mr. Conner was concerned that video makers would not value the film prints in the collection and they could be ignored and even destroyed. The question about the qualification of new members was raised, and how might Canyon maintain film as a priority while allowing other media to be distributed. The possibilities were listed as follows: Canyon Cinema will allow members who make:

1. film only
2. film and/or video
3. members must have made films as their primary medium which must be on deposit in Canyon to have their other media distributed.
4. Continue the current policy of video only to be sold and not rented. The "video for sale only" members would not have voting rights.

Number 3 seemed to be the most favored amongst those present.

For the remainder of the evening discussion continued to center on the future of Canyon as it related to the inevitability of the "new technologies".

What seemed clear from the meeting and letters sent regarding this issue is that positions are somewhat generationally bound. The older generation who began working in the 50's and 60's are most preoccupied with the safety, preservation and continued accessibility of the existing

April 25, 1994

To the members of Canyon Cinema who designated Bruce Conner as their represntative by Proxy at the Annual Membership Meeting on April 19, 1994:

Kenneth Anger	R. Bruce Elder	Danny Lyon	Steven Siegel
Babeth/Film Art	Craig Ellis	Christoph Janetzko	Greta Snider
Bruce Baillie	Leonard Ellis	Dan McLaughlin	Barry J. Spinello
Dick Blau	Victor Faccinto	Adolphas Mekas	Tom Triman
Earl Bodien	Janice E. Findley	Toney W. Merritt	Carmen Vigil
Stan Brakhage	Virginia Giritlian	Gunvor Nelson	Frederick Wellington
Richard Brick	Paul Glablicki	Robert Nelson	Chel White
John Carney	Silvianna Goldsmith	Fred Padula	David White
Pia Cseri-Briones	Anna S. Halprin	Philip Perkins	Dorothy Wiley
Roy Colmer	Ken Jacobs	Tony Reveaux	William Wiley
Bruce J. Cooper	Standish D. Lawder	Paul Ryan	Art Zipperer
Rob Danielson	Lenny Lipton	John Luther Schofill	
Charles Derry	Eva Lothar	Gary Schwartz	

All of you were represented except members excluded for non-payment of dues for more than one year. Four limited their proxies to the evening of the meeting. I will act as your proxy and present the issues that you submit to me in writing at Canyon Cinema until such time as you contact me to cancel or transferyour proxy document. I recommend that you send letters to the Board of Directors expressing your concerns and also open communications with each other. It is an expensive process to communicate to all the members and donating the services of a Corporate Lawyer, Mr. Peter Buchanan, in the process of defining the Articles of Incorporation and By Laws of Canyon Cinema. I will not be able to devote the time and money to the project as I have in the past. It is tiresome to be treated as an enemy by those I have tried to help. An unfortunate attitude has prevailed: kill the messenger that brings bad news. I hope you will all become active in this cause. I have worked at it for one year - ever since I first spoke of the necessity of cleaning the house so that Canyon can function as a viable entity under the law. I trust that I am not alone at this time and others will carry on.

The Annual Membership Meeting convened at about 6:15 PM on April 19, 1994. 31 members qualified to vote were in attendance. There were 310 voting members of Canyon Cinema at that time and so a quorum of 61 was necessary (20% quorum). The 48 proxies submitted by me established the quorum since none of the proxies held by Board of Directors and friends would have been submitted otherwise. Michael Wallin had been appointed by the Board to be Chairman and Felicity Hammer, lawyer for the Board, was hired to be the Secretary for the meeting. The Chair announced that Robert's Rules of Order would govern the meeting. New business in the form of items to be added to the agenda was considered. When the discussion of the agenda included the election of new board members as required in the By Laws, a motion to adjourn the meeting was made. No business was accomplished at the membership meeting. The meeting was adjourned.

It is unlikely that another membership meeting will take place. The Board does not intend to make proxy forms available. They will have a vote by mail on subjects they have determined appropriate and will not be calling a membership meeting for the vote count and other business. Half of the membership can call a meeting but it doesn't appear that enough proxy votes could be accumulated to do so. Proxy votes are not an option for members to choose in the restated Articles/By Laws. The California Mutual Benefit Non Profit Corporation Law states that at least 50% of the members are required for annual business to take place unless a quorum of 1/3 is actually stated in the A/B. No quorum is stated and no meeting is ever likely to exist without proxy representation for film makers outside of the San Francisco Bay Area. Since none of the Board is elected to office unless they attend local meetings Canyon Cinema will be completely controlled by local members and anyone outside of the area will be outside the political process.

The Board ignored all appeals to the current Articles/By Laws as a basis for membership rights to voting, elections and procedures for expressing the will of the membership. The annual meeting provisions of Calif. Corporate Law were not

honored at the April 19th meeting. The strongly held position by the Board was that the "traditional" way in which business has been run is best and to insist on legal rights and the A/B was bad manners. The "tradition" being referred to is the way in which the Board makes up the law as it goes along. This attitude encourages the institutionalizing of bad habits. The tradition for the last ten years has been that the members are apathetic and will not participate in the annual meeting. But the members are not encouraged to participate , communications are restricted and the apathy becomes a self-fulfilling prophecy. When member concern is strong enough to actually have a meeting and finally make legally binding votes, the meeting is adjourned. The tradition is: if you don't use it, you lose it.

The majority of votes for adjournment were cast by proxy votes from local Bay Area members and the local members in attendance. The Chairman immediately announced that there would be an informal meeting taking place. This was not an official meeting but more of a bull session held by a little more than thirty local film maker members and non-members. However, it was being run as a meeting by the Board with Linda Tadic taking notes to mail to the members. No votes, binding or non-binding were taken. None of the members who had sent proxies were represented by vote or with written comments that were sent to their representatives. Non-local film makers were not a party to the process. They remain disenfranchised.

How can we expect that Canyon will function any differently under the restated A/B that the Board has proposed when there is so little respect for the existing laws that were originally established? We have an effective staff that can only work part time. 1½ employees is all we can afford but they do an amazing job of maintaining and inspect the prints, cataloging, booking, billing as well as every other activity demanded of them This remains the only distribution center that truly respects the handling and presentation film and also pays the film makers on demand with full accounting. Do we want it to go the way of other co-ops which do not pay film makers because the income is diverted to other purposes by the Board? Do we want to see an accelerated destruction of film values by declaring that film is already dead and ready to be buried, and then smash it with a shovel? It may be necessary that the film makers will find a need to form another union and guild of the art of film if Canyon is allowed to dissipate the strength of active advocacy and participation by the members. I feel that the Board is misguided and should consider the respect due to the history of Canyon and values that made it exist in the first place.

There are serious problems with the A/B restated by the Board that need to be cured by the legal advice of someone experienced in Corporate Law as it affects Canyon and similar organisations. Richard Lee is lawyer for Film Arts Foundation and has worked with film corporations, arts groups and film makers for many years. His advice is available free of charge for 30 minutes to members of F.A.F. I think that he would be a good lawyer for guiding Canyon through the examination the Secretary of State will be making. Peter Buchanan, has donated his legal advice to Canyon for several years in the past and is familiar with the situations that we need to deal with. I suggest that his advice be pursued by the Board now that I can not finance his work as I have in the past year. There may be others that you can recommend to the Board. None of us want to see Canyon in jeopardy if the final presentation is not acceptable and our present A/B may also be disallowed.

Don't expect that anyone else will take care of film. The non-profit organisations devoted to film are in a losing game as well and must try to preserve themselves. The values of the craft of film expressed in Canyon have been unique. When they are gone, they may never return. Your personal involvement can make a difference no matter how little it might be. Act now!

Best wish,

Bruce Conner

Bruce Conner

RECEIVED [redacted] APR 2 6 1994

CANYON CINEMA, INC. ANNUAL MEETING
TUESDAY, APRIL 19, 1994 6:00 PM

(PLEASE NOTE: A COMPLETE VIDEOTAPE OF THESE PROCEEDINGS IS AVAILABLE. THESE WRITTEN MINUTES ARE NOT INTENDED TO SERVE AS A VERBATIM RECORD).

AS PER NOTICE OF MARCH 15, 1994, THE ANNUAL MEMBERSHIP MEETING WAS HELD AT THE FILM ARTS FOUNDATION, 346 NINTH STREET, SAN FRANCISCO, CA. ALL MEMBERS OF THE BOARD OF DIRECTORS WERE PRESENT: CLAIRE BAIN, DAN BARNETT, JEFFREY SKOLLER, LINDA TADIC AND MICHAEL WALLIN (PRESIDING).

WALLIN CALLS MEETING TO ORDER. INTRODUCES BOARD MEMBERS AND STAFF (DOMINIC ANGERAME AND DAVID SHERMAN). MENTIONS MATERIAL AVAILABLE AT DOOR - COPIES OF LETTERS RECEIVED FROM MEMBERS, EXPRESSING DIVERGENT POINTS OF VIEW. BRUCE CONNER HAS ALSO MADE WRITTEN MATERIALS AVAILABLE.

WALLIN EXPLAINS AGENDA ITEMS, AS INDICATED ON APRIL 14, 1994 MEETING MINUTES.
NO. 1 - OPENING STATEMENTS. 45 MINUTES
NO. 2 - SENSE OF MEMBERSHIP: STATUS ACCORDED TO ISSUES. 30 MINUTES
NO. 3 - NOMINATIONS FOR BOARD OF DIRECTORS. 30 MINUTES
NO. 4 - DISCUSSION OF REVISED ARTICLES OF INCORPORATION AND BY-LAWS. 2 HOURS

CONNER QUESTION - DO WE HAVE A QUORUM?
SHERMAN RESPONSE - 31 MEMBERS CHECKED IN AT DOOR.
- APPROXIMATELY 75 PROXIES. (CONNER SOLICITED AND HOLDS 48 PROXIES)
20% OF 334 MEMBERS = APPROX. 70 (SPECIFICALLY, 67)
CONNER CLARIFICATION: 20% OF NUMBER OF PAYING MEMBERS = APPROX. 60
QUORUM SATISFIED.

CONNER MOTION TO ADD HIS AGENDA (LETTER DATED APRIL 1, 1994) TO MEETING AGENDA. SECONDED.
NO. 1 - ELECTION OF FOUR DIRECTORS TO CANYON BOARD.
NO. 2 - DETERMINE STANDARD MODEL PROXY FORM.
NO. 3 - OPEN COMMUNICATION BETWEEN MEMBERS - NEWSLETTER PROPOSED.
NO 4 - ELECTION OF COMMITTEE TO OVERSEE REVISIONS TO ARTICLES OF INCORPORATION AND BY-LAWS.
NO 5 - DISCUSS SEPARATE ORGANIZATION FOR ELECTRONIC MEDIA AND DECEASED FILM-MAKERS.

JACK WALSH - POINT OF ORDER.
NO MODEL PROXY FORM. HOW DO WE KNOW THESE PROXIES ARE LEGITIMATE?
- FROM WHOM THEY SAY THEY ARE?
DAVID GERSTEIN - VALIDITY OF PROXY (ISSUE).

DAN BARNETT - STAN BRAKHAGE HAD RECOMMENDED TAKING NON-BINDING VOTES. BOARD ACCEPTED THIS SUGGESTION.
CONNER OBJECTION.

CONNER ASSERTS THAT MEMBERS SET THE AGENDA, NOT THE BOARD.
GERSTEIN REFUTES CONNER.

TIM WILKINS - PROBLEM OF HAVING A BINDING VOTE TO HAVE A NON-BINDING VOTE.
WALLIN DESCRIBES SITUATION AS A CATCH-22.

SKOLLER REQUEST TO CONNER TO FOLLOW BOARD'S AGENDA (PERMIT OPENING STATEMENTS).
CONNER DECLINES.

BILL KNOWLAND - BOARD AS REPRESENTATIVES.
BARBARA HAMMER - DISCUSSION AROUND MOTION. REQUEST TO SKOLLER.

BARNETT - ONLY ONE MEMBER SOLICITED PROXIES. (CONNER)
- BOARD'S CONCERN THAT OTHER MEMBERS MUST BE REPRESENTED (NOT ONLY THOSE WHO RESPONDED TO CONNER).
- WILL SUBMIT PROCEEDINGS BACK TO MEMBERSHIP FOR COMMENT.

CONNER - LACK OF PROXY MODEL. SHOULD NOT BE PRECLUDED FROM EXERCISING PROXIES.
BARNETT - NON-BINDING VOTE ONLY.

GERSTEIN - CONNER AGENDA ITEM NO. 1 - BOARD ELECTION.
- QUESTIONS WHETHER BOARD INTENDS TO HOLD ELECTION.
WALLIN RESPONSE - NO ELECTION. NOMINATIONS ONLY.
GERSTEIN ASKS CONNER FOR CLARIFICATION.

CONNER - EXISTING ARTICLES AND BY-LAWS CANNOT BE AMENDED UNLESS CHANGED HERE TODAY BY A BINDING VOTE.

GERSTEIN - CITING ROBERTS' RULES OF ORDER, SUGGESTS SUSPENDING ARTICLES/BY-LAWS FOR THIS EVENING ONLY.
- MOTION: DELETE CONNER'S AGENDA ITEM NO. 1 (ELECTION OF BOARD OF DIRECTORS) SECONDED.

GERSTEIN & BARNETT - PEOPLE IN ROOM DO NOT REPRESENT ENTIRE MEMBERSHIP.
- CONNER'S PROXIES CAN BE VOTED AT A LATER DATE.
- OTHERWISE, PEOPLE ARE "DISENFRANCHISED". DO NOT KNOW THE ISSUES.
KNOWLAND - SUGGESTS TABULATING VOTES OF PEOPLE HERE. THEN LETTING OTHERS CAST VOTES.
WILKINS - WANTS BINDING VOTE TODAY.
ANGERAME - BINDING.
BARNETT - DISAGREES.

SKOLLER - IMPORTANCE OF CONTEXT. AVOID GOING AROUND.
- ORIGINAL 1967 ARTICLES/BY-LAWS HAVE NOT BEEN FOLLOWED LITERALLY.
- CITES 1972 LETTER (COURTESY OF GERSTEIN), INDICATING CANYON CINEMA HAD SEVEN DIRECTORS AT THAT TIME, ONE OF WHOM WAS CONNER.
- STANDARD PROCEDURE HAS BEEN ONE PERSON/ ONE VOTE/ BY MAIL.

SKOLLER CONTINUED:
- ENTIRE REASON FOR REVISIONS.
- ARBITRARY TO INSIST ON FOLLOWING ARTICLES/BY-LAWS TONIGHT.
- ESTABLISH SYSTEM FOR DECISION-MAKING.
- SHOULD SPEND TIME DISCUSSING NEW ARTICLES/BY-LAWS, RATHER THAN ARGUING ABOUT THE OLD ONES.

WILKINS - SUGGESTS ANOTHER MOTION. SINCE IT CANNOT BE DETERMINED WHAT HAS BEEN FOLLOWED IN THE PAST, SHOULD START FOLLOWING ARTICLES/BY-LAWS TONIGHT.

JERRY BARRISH - VOICES CONCERN THAT OUR VOTES DO NOT MEAN ANYTHING IF CONNER CONTROLS THE MEETING. LET'S GO HOME.

CONNER - EXPLAINS ADMINISTRATION OF HIS PROXIES. THEY DO NOT REPRESENT CONNER'S OPINION. EACH PERSON GAVE HIM INSTRUCTIONS AS TO WHAT HE/SHE WANTED TO TAKE PLACE AT THIS MEETING.

SHERMAN - COUNTS TOTAL OF 32 PROXIES HELD BY VARIOUS MEMBERS.
- 48 PROXIES REPRESENTED BY CONNER.

WALLIN - VOTE ON GERSTEIN'S MOTION TO DELETE ITEM NO. 1 (BOARD ELECTIONS) FROM CONNER'S AGENDA.
IN FAVOR OF MOTION: 29 (PLUS 32 PROXIES) = 61
OPPOSED : 2 (PLUS 48 PROXIES) = 50 MOTION PASSES.

CONNER - NOTES 2/3 MAJORITY IS NEEDED TO AMEND ARTICLES.
GERSTEIN - WONDERS IF 2/3 IS NECESSARY TO SUSPEND. CHECKING ROBERTS' RULES.

CONNER - MENTIONS COMMITTEE TO DRAW UP NEW ARTICLES/BY-LAWS.
LYNN KIRBY - INSISTS ON PROPERLY CALLING THE QUESTION. SECONDED.

WHETHER TO ADOPT CONNER'S AGENDA ITEMS NOS. 2, 3 & 4 ?
IN FAVOR: 13 (PLUS 52 PROXIES) = 65
OPPOSED: 14 (PLUS 24 PROXIES) = 38 MOTION PASSES.

GERSTEIN - POINT OF INFORMATION: "NEW BUSINESS" COMES AFTER SET AGENDA ITEMS.
CONNER - CITES ARTICLE IX (DIRECTORS SHALL BE ELECTED AT EACH ANNUAL MEETING).
- EXPLAINS THIS TAKES PRECEDENCE (DOES NOT HAVE TO BE ON AGENDA BECAUSE IT IS PART OF BY-LAWS.
KIRBY - ARGUES FOR TRADITION. HAVE ALWAYS VOTED THROUGH MAIL.
- DISCUSSES EXPECTATIONS. DID NOT EXPECT TO VOTE TONIGHT.
WALLIN - LEGAL ISSUES INVOLVED.
CONNER - EXPRESSES CONCERN MEETING IS FOLLOWING NEITHER BY-LAWS NOR ROBERTS' RULES.

IRINA LEIMBACHER (?) - ISSUE OF BINDING VOTE. CANNOT MAKE DECISION ----------.
- MOVES TO SUSPEND VOTING FOR DIRECTORS. SECONDED.
CONNER - CALLS FOR DISCUSSION: ISSUE OF NON-BINDING VOTE.

DEAN - REPRESENTS MEMBER FROM MILWAUKEE.
- HISTORY OF CANYON CINEMA. CHECKERED HISTORY, TRADITION. OUT OF CONTROL.

BARRISH - POSES QUESTION FOR PETER BUCHANAN (BRUCE CONNER'S ATTORNEY).
- DOES PRECEDENT SUPERSEDE BY-LAWS?

BUCHANAN RESPONSE - DOES NOT KNOW WHAT HAS BEEN GOING ON DURING PAST 12 YEARS.
- EMPHASIS ON WRITTEN MATERIALS (I.E. ARTICLES/BY-LAWS)
FELICITY HAMMER (BOARD OF DIRECTOR'S ATTORNEY) - STATEMENT RE TRANSITIONAL PERIOD.
BUCHANAN NOTES - CANYON WAS DENIED NON-PROFIT STATUS. (SEE BUCHANAN LETTER TO F. HAMMER, DATED MARCH 24, 1994, FOR COMPLETE EXPLANATION).
- PROFITS FROM FILMS SHOWN. (WALLIN - IS THIS ILLEGAL? BUCHANAN - NO, NO).
- ARTICLES MUST BE SUBMITTED TO SECRETARY OF STATE.
- ORAL TRADITION.

CLAIRE BAIN - POSES QUESTION FOR BOTH ATTORNEYS.
- VALIDITY OF BY-LAWS: CONSIDERING CANYON CINEMA HAS NOT HAD MEMBERSHIP MEETINGS AND CURRENTLY HAS FIVE BOARD MEMBERS...
- HOW BINDING ARE BY-LAWS IF THEY HAVE NOT BEEN FOLLOWED?
BUCHANAN - REITERATES EMPHASIS OF WRITTEN DOCUMENTS.
F. HAMMER - NOT THE FORUM FOR LEGAL ARGUMENTS. TURN DISCUSSION BACK TO REASON EVERYONE IS HERE TONIGHT.

SKOLLER - MOVES TO ADJOURN MEETING. THEN HAVE UNOFFICIAL MEETING.
KIRBY -
GERSTEIN - MOVE TO ADJOURN. PROCEDURE.
CRAIG - MOVE TO ADJOURN. SECONDED.
VOTE: IN FAVOR OF ADJOURNMENT: 24 (PLUS 32 PROXIES) = 56
OPPOSED : 5 (PLUS 48 PROXIES) = 53 MOTION PASSES.

CONNER DEMANDS RE-VOTE. COMMENT - COUP.
GERSTEIN - FAILED COUP.

NOTE: THE FOLLOWING IS THE UNOFFICIAL PORTION OF THE CANYON CINEMA ANNUAL MEETING.

DOUG WENDT - QUESTION FOR BUCHANAN.
BUCHANAN - DID NOT REPRESENT CANYON IN 1967.
WENDT - QUERIES WHETHER BY-LAWS WERE IGNORED IMMEDIATELY.
BUCHANAN - TRIED TO SLIP THROUGH SECRETARY OF STATE.
WENDT - "MOTIVES".
BUCHANAN - DOES NOT KNOW.

Gerstein - observes Conner was on Canyon Board when it had seven directors.

Conner - raises pornography issue. "Vulnerable".
- "death of Canyon Cinema." Wants to be "saved."

Wallin - as Board Director and Canyon member, respects and agrees with Conner's motives.
- explains Board's year-long process of Amendments. "done our damndest".
- appeal to avoid in-fighting.
- understands process as undertaking serious responsibility.

Issue of Legalism.

- 'WORK'

B. Hammer - avoid ----------. Interested in this issue.

Angerame - $5,000 in bank
- inventory problems. (new distribution)
- $116,000 income ($63,000 from film rentals)

4,000	film sales
3,500	video sales
10,000	grants
8,000	dues
----------	miscellaneous

Walsh - ---------- personal expression.
- When I teach... younger generation cannot afford film
- will not "flood" Canyon

Conner - "endangered art form"
- mentions Brakhage letter to Conner: more dedicated students.
- concern that "work" could encompass Bruce Bailee's videos and radio works

Question - Why would video "push out" film?

Conner - offers example of Canadian group, experienced push out.
- concern with handling of video medium.

Wilkins - I'm 24. I'm young. I make films.
- different physical properties. You can see through it.
- job of Cinematheque.

Wallin - reads from revised Article no. II : Canyon Cinema, Inc. shall always remain dedicated to ... film.

Gerstein - what is in the best interest? Of survival, of its members.
- poses question of whether Canyon is viable as exclusively film.
- What will happen in five years?

Conner - indicates that people represented by his proxies will withdraw their films from Canyon. Notes these people are responsible for greatest percentage of rentals.
B. Hammer - objects to perceived "Threat."

Rock Ross - works in film. Format changes.
Angerame - mentions 1993 conference
- video may be dead in five years - replaced by new medium?
- Satisfy Whose Needs? Current film-makers or NON-members?
Dean - teaches film in a bad way.
Angerame - accept all new video? Notes people send all kinds of unsolicited videos to the office (sexploitation, fix cars).
Walsh - "dreck" in both film and video.

Knowland - asks who is the audience? (look at the other end).
- disc-based. "Too late" to consider video now.

Skoller - complex issues. Pros and cons.
- Committee to study? Investigate viability of inclusion of other media?
Barrish - "Canyon video" - separate group.
Barnett - concern with Canyon Cinema: insolvency.
- prevent loss of "intellectual resource."

Fred Padula - judged film festival: people submitted preview videos of films.
- film is precious - to a few.
- establish By-laws to protect Conner's intent
- but ... financial concern.

Wendt - putting films on laser disc. Look and sound better.
- makes analogy: What are we "writing"? (form of expression)
Don't get hung up on medium. (write on sand or paper).

(BREAK TIME)

Angerame - addresses economic issues.
80% of income comes from film rentals
10% from grants
currently provide "service" to members - expansion to video.

Wallin - suggestions for Nominations:

1) Tim Wilkins - nominate myself.
Reads prepared statement:
- wants to be on Board because
- not represented by current Board
- serve membership interests
"Life-time commitment to film"
Wants to do: Articles and By-laws (groundwork laid)
Communications w/ members (small magazine/newsletter)
Canyon does not have super-8mm projector
separate video co-op
Preservation of deceased artists' works

Conner - steps to recruit nominees? Usually phone people in Northern California.

2) Steve Dye - has not prepared a statement
- concerns of film v. video. Has not decided.
- concern w/ fair voting.
- will submit statement at later date.

Clarification that three seats are available (Wallin, Skoller, Tadic).

3) Alphonso Alvarez
- helped organize CA LOG
- agrees w/ some of Conner's concerns
- move to NEW horizons

4) Irina Leimbacher
- learning experience to be on the Board
- establish communications between Board and members
- find out members' opinions

Nick DORSKY Lynn Kirby - decline
Dominic Angerame - (nominated by Conner)
- question of his status as staff (Board sets his salary. Recuse self on voting).
- (Wallin - Dominic is ALREADY involved. Wants new blood)
- conflict of interest

Conner - set up committees:
- Deceased film-makers (separate funding. Non-profit group. "Canyon of the Dead" - Conner's proposed name.
- question of whether executors vote.
- Screening of Canyon Cinema member work.

Wallin - Board wants to look at the Articles.
Conner - cost of sending out mailing.

Walsh - send out draft w/ ballot. (observes losing attending group)
Conner - "meetings" (Article IV (A), (B))
- wants longer time for advance notice (suggests 30 days)
Dorsky - "Work". Word is so significant.
Wallin - Board's intent: not to limit.
Gerstein - moving image art.

(sense of members WANTING word "work" defined)
Gerstein - only written from 1994 perspective?
Barrish(?) - re-look at definition in five years?

Padula - Depository. Retain this...
- Evolution. example of Kodak research.
- Preserve the original essence.
- (if, in five years, majority of members work in video, might not want to preserve film).
Conner - preserve film. Set up Black & white 16mm lab.
Padula - need new technology to preserve film.
Conner - planned obsolescence of equipment.
- video tape self-destructs (oxide).
Wilkins - preservation is a craft.

Dorsky - back to Articles. Word creates polarization.
Gerstein - work on word "work". Define more clearly.
Wallin - wants flexible term.

Barrish - looking to future only? or "financial decision".
Barnett - "historical" decision.
- non-judgmental. "Fringe".
- intellectual energy - multimedia (not video)
- "questioning energy" - Canyon Cinema should follow.
- preserve film
Skoller - not trying to "sell" anything.

Tadic - concern w/ member mailing. Trying to ascertain "gist" of evening.
- "Members....only film
only film / or only video
film as primary form/ will also distribute video
- film on deposit.

Conner's proxy - any medium is ok/ as long as MEMBERS make this decision.
- but only film-makers can vote and be on Board?
Barrish - question as to setting up different classes of membership (voting/non-voting).

Wendt - moving image art (in response to tadic's question).
Walsh - will lose money if insist members have films before they can have videos.

Conner - observations of By-laws.
- videos of his films: apprehensive.
- People don't know how to handle video (magnetic destruction).

- membership dues: non-deductible by IRS.
- "distribution fee" then is deductible expense.

- keep old Articles.
- change By-laws only (avoid state approval)
- overly optimistic to resolve in 30 days.

- Is pleased. Major achievement. No animosity.
- Avoid competition with other video organizations. Economic factors.
- Canyon is not a non-profit organization.
- concern about getting 2/3 vote. Therefore, exclude anything controversial.
- current By-laws: comments on non-compliance.
- Suggestions: doing Articles and By-laws separately.

Wendt - new dues? Raise. (100% of rentals).
barnett - other ways to make money.

Skoller - issue: Board decision authority.
- elected body v. member decision.

Gerstein - support Canyon as institution (rather than seeing Canyon as storage place for film).
Skoller - "democracy is expensive" (newsletters, etc).
Gerstein - can't raise rental rates too high.
Walsh - think how to promote. Themes. New things.
Wallin - cannot promote any one film. Cannot discriminate.
Skoller - membership apathy.
Wendt - promote Canyon as organization.
Padula - think of changing By-law (non-discriminatory). Think "new".
- same conversation 30 years ago.
Wilkins - dislikes "niche" promotion.
Walsh -"drift" organization (selective). film & video.

Skoller - almost 10:00 pm. How to continue this dialogue?
- How to report to members?

Barrish - Dues. breakdown: dues $5.00
: storage & preservation $35.00

Skoller - asks Barrish (too busy to be on committee)
- asks Wendt (try to write letter)
Wilkins - wants to chair committee
- options/ changes (to draft Articles)
barnett - that is our intent.
Gerstein - will write out comments.

Elections - priority.

Meeting adjourned.

Respectively submitted by Felicity Hammer.

canyon
CINEMA

BALLOT BALLOT BALLOT BALLOT BALLOT BALLOT BALLOT BALLOT

This form is to be used to elect new members to the Board of Directors for Canyon Cinema. There are three positions open so please vote for **no more than three** of the candidates listed below. Ballots must be returned by **July 1, 1994** . To help ensure authenticity of the ballots cast, your signature must either appear on the bottom of this form or on the reverse side of the envelope that contains the ballot.

_____**Steven Dye** " I feel that the preservation and distribution of motion picture film and film culture is at the heart of what Canyon Cinema is and should be. To me this includes a broad definition of Cinematic Art and other forms of motion pictures. There are some questions concerning Canyon Cinema legal affairs. As a Board Member I would lend my energy to the resolution of these matters and to keeping Canyon Cinema fit and healthy."

_____**Irina Leimbacher** "As a relatively new Canyon Cinema member who is greatly appreciative of its unique grass roots role in a largely corporate inhuman world, I am interested in playing a part in maintaining the spirit of Canyon, working for the interest of the organization, its members, and the art form which together they represent. Given the time of decisions and possible change that lies ahead, I would like to contribute to creating a system of communication among all Canyon members so that equitable and realistic decisions can be made as we face the economically challenging future."

_____**Alfonso Alvarez** "I've been a Canyon member and filmmaker for several years. Melanie Curry and I have worked closely with Dominic over the past 6 or 7 years to put together the Canyon Cinema Catalog #6 and Catalog #7. This single act has made me garner a lot of respect for Dominic and the daily trials of running the house. So I know a little of how difficult it is to work with we filmmakers. I 'm interested in running for the Board because I believe in Canyon and what it is attempting to do in these economic and politically depressing times. I'm also interested in making a concerted effort to bring members of Canyon into closer contact with Canyon as a facility that promotes and distributes work, and with each other. I feel that if Canyon is going to sustain itself as the entity that we as artists have grown to identify with, then we have to pull together as a team to see Canyon survive."

_____**Timoleon Wilkins** "As a Canyon Cinema director I hope to represent the growing contingent of young people now (despite the odds against them) dedicated to the projected film medium. We who make film our newer and better art form not only care about the survival of film--but have the most personal stake in it! I want to include and extend that passion to Canyon Cinema and its survival as a film distributor serving its members' film interests. Our needs now are simple: communication in the form of a newsletter--the acquisition of a Super 8 projector--the preservation of our films in decay--and the procurement of funds to accomplish these and other forms of expansion, these are my priorities. And above all I would assist Canyon in becoming more known and more optimistically felt as the living film-entity it is.

_____**Signature**_____**Date**

Name Printed_____

To ensure the authenticity of your vote your signature must appear either above, or on the back of envelop with which the ballot is submitted.

2325 Third Street, Suite 338 · San Francisco, CA 94107 · (415) 626-2255

canyon
CINEMA

2325 Third Street, Suite 338
San Francisco, CA 94107
(415) 626-2255

SAN FRANCISCO CA
MAY 27
1994

Sara Kathyrn Arledge
C/o Terry Cannon
1531 East Woodbury
Pasadena, CA 91104

91104-1557 44

canyon
CINEMA

Dear Filmmaker,

Recently Canyon Cinema has just finished placing most of its operation onto a new computer system designed specifically for our operations. This includes all film bookings and the recording of royalties to filmmakers. With the current accounting sheet sent to you there is the combination of the "old" method of handwritten recordings, and the computer generated recording methods. The figures on your account have been carefully checked by myself to assure accuracy and completeness. However, several changes need to be clarified to our members to eliminate any confusion that may arise.

1) The account balance figure represents the actual money (both the manual and computerized amounts) that have accrued in your account.

2) Debits year to date represent those funds that have taken out, (for postage, dues, etc.) including money previously taken out as of March 1rst.

3) Credits Year to Date represents all royalties, and funds credited to your account as of March 1st.

4) Beginning Balance is the figure transfered from the "manual" recording system on March 1st. All subsequent entries are listed as a credit to your account.

5) All sales of films and video tapes are included.

6) The detail listing on the computer report indicates our invoice number, the renter, etc. The letter under the invoice indicates if the transaction was a "Rental" (R); "Preview" (P) "Borrow" (B); Sale Video (SV); Sale of Film (SF). In reference to previews and borrows, the royalty is indicated as $0.00.

If you have any questions regarding the recording sheets, please contact me. Please note that I have spent a great deal of time and effort in creating this new system and have doubled checked all the figures to avoid mistakes and inaccuracies. However, if you feel that something is not quite right, please let me know immediately.

Sincerely,

Dominic Angerame
Director, Canyon Cinema, Inc.

2325 Third Street, Suite 338 · San Francisco, CA 94107 · (415) 626-2255

Rec. Date	Film	Rental	Exhibitor	Show Date	35%	65%	Misc.	Sub Total
11/29/84	INV # 4642 POST. RETURN OF "WHAT DO 2 RIGHTS" TO FM					(2.50)		
10/28/85	INTROSPECTION	15.00	LA-TE-DA REST. / KEY WEST, FL	4/18/85	5.25	9.75		
2/16/86						(25.00)	86 Dues	
4/29/86	INTROSPECTION	15.00	HARVARD U, CAMBRIDGE	2/11/86	5.25	9.75		
6/25/86	INTROSPECTION	15—	COLUMBIA College, CHICAGO	5/19/86	5.25	9.75		
	TENDER IMAGES	10—	↓ ↓	5/19/86	3.50	6.50		8.25
6-2-87	INTROSPECTION	15.00	SFCC / SFCA	5/24	5.25	9.75		
9-15-87	Introspection	15.00	FA in C / SF Ca	5-31-87	5.25	9.75		
11/4/87	INTROSPECTION	15.00	CAL ARTS / VALENCIA	10/20/87	5.25	9.75		
						(25)	88 Dues	12.50
11/18/88	Introspection	15—	Cal Arts / Valencia, CA	11/03/88	5.25	9.75		
2/9/89						(25)	89 Dues	(2.75)

Filmmaker: SACA Arledge (Smith)

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

First 94 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	10.75	75.00	64.25	0.00
Credits/Debits This Period:		75.00	64.25	

Adjustments:	DEBIT	CREDIT	ADJUSTMENT DATE
ARLED dues check received	25.00	14.25	2/28/94
ARLED dues check received	25.00	25.00	2/28/94
ARLED dues check received	25.00	25.00	2/28/94
Totals:	75.00	64.25	

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

Fourth 93 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	17.75	25.00	18.00	10.75
Credits/Debits This Period:		0.00	9.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE of SHOW	DATE DISTRIB.
16740 R	60201B	INTROSPE Introspection	.6	15.00	9.00	9/23/93	12/22/93
	To: Northwestern University of Evanston, IL						
16934 P	90026	TENDER Tender Images	0	7.50	0.00	10/01/93	12/22/93
	To: LA Film Forum of Los Angeles, CA						

Credit Distribution for Filmaker ARLED: 9.00

Canyon Cinema, Inc.
2325 Third Street, Suite 338
San Francisco, CA 94107
Phone: 415 626-2255

First 93 Quarter Reporting:

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	17.75	25.00	9.00	1.75
Credits/Debits This Period:		25.00	9.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE of SHOW	DATE DISTRIB.
15917 R	94133	INTROSPE Introspection	.6	15.00	9.00	2/04/93	3/15/93

To: San Francisco Art Institute of San Francisco, CA

Credit Distribution for Filmaker ARLED: 9.00

Adjustments:	DEBIT	CREDIT	ADJUSTMENT DATE
ARLED	25.00		3/15/93
Automatic debit from account for dues for 1991.			
Totals:	25.00	0.00	

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	8.00	0.00	9.75	17.75
Credits/Debits This Period:		0.00	9.75	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE of SHOW	DATE DISTRIB.
13511 R	10003S	INTROSPE Introspection	.65	15.00	9.75	4/05/91	6/24/91
To: Catrina Neiman of New York, NY							

Credit Distribution for Filmaker ARLED: 9.75

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	7.00	25.00	26.00	8.00
Credits/Debits This Period:		0.00	0.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE DISTRIB.
12867 P	SW1P3NQ	INTROSPE Introspection	0	0.00	0.00	10/11/90

To: Arts Council of Britain of England,

Credit Distribution for Filmaker ARLED: 0.00

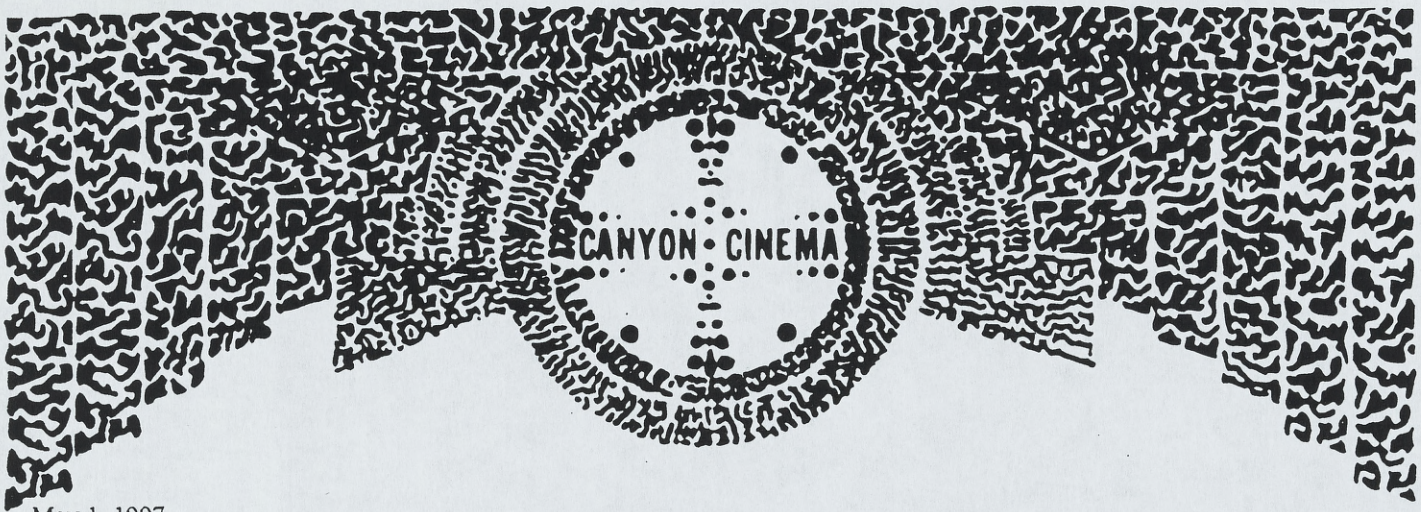
FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	7.00	25.00	26.00	8.00
Credits/Debits This Period:		25.00	26.00	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE DISTRIB.
12354 R	14607C	INTROSPE Introspection	.65	15.00	9.75	8/01/90
To: George Eastman House of Rochester, NY						
12354 R	14607C	TENDER Tender Images	.65	10.00	6.50	8/01/90
To: George Eastman House of Rochester, NY						
12373 R	13901	INTROSPE Introspection	.65	15.00	9.75	8/30/90
To: SUNY/Binghamton of Binghamton, NY						
Credit Distribution for Filmaker ARLED:					26.00	

Adjustments:	DEBIT	CREDIT	ADJUSTMENT DATE
ARLED	25.00		8/30/90
Automatic debit from account for dues for 1990.			
Totals:	25.00	0.00	

FILM MAKER	BEG. BALANCE	DEBITS YTD	CREDITS YTD	ACCOUNT BALANCE
ARLED Arledge, Sara Kathyrn	-2.75	0.00	9.75	7.00
Credits/Debits This Period:		0.00	9.75	

BOOKING NUMBER	RENTER CODE	FILM	DISTRIB FACTOR	RENTAL PAID	AMOUNT DISTRIB.	DATE DISTRIB.
11494 R	91355	INTROSPE Introspection	.65	15.00	9.75	12/06/89
	To: Cal Arts of Valencia, CA					
Credit Distribution for Filmaker ARLED:					9.75	



May 1, 1997

Dear Shareholders of Canyon Cinema,

There have been many developments since our last correspondence and this communication is to inform you of some of the events that have transpired. The National Endowment for the Arts has taken away our awarded $15,000 grant for the Catalog #8 production. We are asking all shareholders to send the enclosed form letter directly to the Director of the NEA to voice their objections to this decision and your support for Canyon Cinema. You may use this letter and send it directly in with your signature or create your own if you wish.

You may also send correspondences to: Sen. Dianne Feinstein 31 SH, Washington DC 20510; Sen Barbara Boxer 112 SH Washington, DC 20510 or Mayor Willie Brown 401 Van Ness Ave. 3rd Floor, Room 336, SF, CA 94102.

Enclosed is a copy of the letter sent to Canyon by the NEA, a copy of my response and an article recently published by the San Francisco Bay Gaurdian. The catalog project is completely on hold until we raise the funding necessary that was removed by the NEA.

Although we are exploring the appeals process at the NEA, we can't be at all certain of its outcome. The catalogue may have to come into existence through alternative fundraising strategies. Canyon has never asked its members for help in raising any kinds of funds; in the cooperative spirit with which Canyon Cinema was founded, we now need the support and cooperation of our entire membership. We refuse to capitulate to the censorship implicit in the withdrawal of the funding for our catalogue.

Our initial strategy is as follows:

We ask you to help us construct the groundwork of a personalized lifeline to sources of individual and/ or foundation and corporate funding. From each member, we need a list of at least 3 contacts (names and addresses) whom we may approach with your help to donate $100 or more (tax deductible through the Film Arts Foundation) towards catalogue #8. These contacts will be used for the first stage of the catalogue fundraising campaign. In addition to the above request, Canyon also needs persons (not necessarily filmmakers) to serve on an advisory board for fundraising and future development. Checks can be made payable to the Film Arts Foundation, and mailed to Canyon Cinema, mark check for Catalog #8.

This catalogue will only happen with an unprecedented demonstration of your support. Please act fast: this is an emergency. This is a very challenging time for Canyon Cinema and if the organization is to survive through the 21st century we need the help and participating and support from all of our shareholders. We can now be reached by e mail: **canyon@sj.bigger.net**

Thank you.

Sincerely,

Dominic Angerame/David Sherman
Executive Director, Canyon Cinema, Inc. and
Administrative Director, Canyon Cinema, Inc.

2325 3RD STREET • SUITE 338 • SAN FRANCISCO, CA 94107 • (415) 626-2255

San Francisco Bay Guardian ■ April 16, 1997

tion Collective 2, a publisher of avant-garde books.

Another local group, Brava! for Women in the Arts, a multiethnic women's theater company and outreach program based in the Mission District, recently received some calls from Derrick Max as well. He asked for information about DramaDIVAS, a Brava theater program for gay, lesbian, and bisexual youth.

"He said he was [from] the committee for youth education," Brava! artistic director Ellen Gavin told the *Bay Guardian*. "He made it sound like a funding possibility. So we put a package in the mail with everything, naively, enthusiastically."

Soon after, Gavin got a call from Bedoya telling her the score. "It was very creepy," Gavin said. "It felt very deceptive."

Brava! has since received an NEA grant for $75,000 (Gavin says none of that goes to support DramaDIVAS). But Gavin is also disappointed that the NEA isn't standing up for its grantees. "It puts us in a really bad position if we've lost our front line of defense," she said.

Max has been lambasted for the underhanded way in which he has obtained information about NEA grantees, but he doesn't see a problem with it. When Max was asked if he had misrepresented himself to Canyon, he said, "Absolutely not. I remember saying specifically that I'm with the committee that oversees the National Endowment for the Arts. People may not understand when I say that I'm from an organization that oversees the funding of the NEA."

But, he added, it may have been different with Brava! "There are times when we do things to keep our identity confidential," he said. "On my first two calls with Brava! I didn't identify who I was with."

Bedoya said that's way out of line. "He's behaving very unethically when he doesn't present what he's doing and who he is," Bedoya said. "He's just obviously fishing for what he considers inappropriate materials."

Fighting words

Congressional efforts to dismantle the NEA entirely are once again a key component of the Republican agenda. Last year Congress voted to "phase out" the agency over three years, beginning with a 40 percent budget cut for fiscal year 1996–97.

Brandt said Hoekstra would like to see the NEA eliminated as soon as possible. "We're trying to get the federal bureaucracy out of the process of deciding what's good art and what's not," he said.

Ellen Gavin says that's not up to Congress to decide, and that the arts community now has to get behind the NEA and fight for more federal support. "We've been on the defensive for 10 years," Gavin said. "I think they've lost the ideological battle with the American people and I think it's time for us now to get on the offensive. We need to fight for tripling the NEA budget." ■

NEA nightmare: *Canyon Cinema's Dominic Angerame (left) and David Sherman are fighting the loss of their grant.*

Witch hunt

Local artists targeted in recent attacks on the NEA. By Nina Siegal

IN MID-JANUARY of this year Dominic Angerame, executive director of the San Francisco–based film promotion and distribution company Canyon Cinema, received a pleasant surprise. The National Endowment for the Arts notified him that Canyon had tentatively been awarded $15,000 to publish a film and video distribution catalog—all he had to do was contact the agency within 30 days. Although the group has received NEA funds for the past 15 years, this award was a substantial increase.

But two months later Angerame's group got a second letter: the NEA had now rejected their application.

The chain of events that transpired between the two letters is part of the latest round of attacks on the National Endowment for the Arts. A little-known representative, Peter Hoekstra (R-Mich.), head of the House Committee on Education and the Workforce's Subcommittee on Oversight and Investigations, has put the dismantling of the NEA at the top of his agenda this year. In March Hoekstra said that he planned a wide-ranging examination of the embattled agency's granting processes, to determine whether artistic work supported by the government is "decent."

David Mendoza, executive director of the National Campaign for Freedom of Expression, based in Washington, D.C., says this is the latest battle in the ongoing culture war taking place in Congress.

"This investigation that he's doing is probably the biggest, most significant congressional investigation we've dealt with since the beginning of all this," Mendoza said. "He's using his subcommittee to gather files and information from the NEA and contact organizations at an unprecedented level."

Roberto Bedoya, executive director of the National Association of Arts Organizations, which has been tracking congressional activity concerning the NEA, agrees.

"It's a form of witch hunt," Bedoya said. "Hoekstra would say it's totally within his authority to examine the NEA, but it's really a selective examination—he's focusing on lesbian and gay work and work that examines sexual identities."

Hoekstra's attacks on the NEA have now hit home. Two local nonprofit groups—Canyon Cinema and Brava! for Women in the Arts—have been singled out by Hoekstra's subcommittee. And it looks like Canyon has become a sacrificial lamb.

Angerame suspected no such thing in early March when he got a call from Derrick Max, professional economist on the staff of the Subcommittee on Oversight and Investigations. Max works for Hoekstra.

According to Angerame, however, Max didn't fully explain who he was when he called for a copy of Canyon's distribution catalog. "He implied that he was affiliated with the NEA," Angerame said. "I told him there were copies in the NEA library, but he called back later and said he couldn't find them and needed a copy right away."

David Sherman, Canyon's administrative director, sent out a copy by overnight delivery. The next day a *New York Times* reporter called to ask Sherman to respond to criticisms Hoekstra had made in letters and telephone calls to the endowment. The representative had apparently made photocopies of pages of the catalog.

Jon Brandt, Hoekstra's press secretary, told the *Bay Guardian* that there were many parts of Canyon's catalog the representative found objectionable. "First you look at the photographs — one was of several young boys that were naked," Brandt said. "There are several descriptions that are sexually graphic or offensive descriptions. Things that describe graphic sex or other kinds of things that caused us to say 'We'd like more information about those things.'"

Canyon's directors were shocked that the catalog — which runs 450 pages and lists more than 3,000 avant-garde and experimental video and film titles—would be used as an example of indecency.

"I don't think there are any films in our catalog that would justify our not getting money from the NEA," Angerame said. "[Hoekstra] went through our catalog and picked out the most outrageous, sensational, or provocative photographs and read the descriptions of our films, questioning whether the U.S. government should support what we do. The NEA is not even funding these films, they're just supporting a catalog that advertises their distribution."

Angerame added: "We had no idea that this was going to happen. When "The films distributed by Canyon Cinema in their own catalog are very troubling, particularly considering taxpayer funds were used to support their distribution," Hoekstra wrote.

Eleven days later the NEA's deputy chair for grants and partnership, Scott Sanders, wrote a letter to Canyon Cinema stating, "Upon further review of this application and the supporting materials, the Arts Endowment has made the determination to reject this application."

Derrick Max says letters from Hoekstra's office directly resulted in the rescinding of Canyon Cinema's promised grant. "Our letter to the NEA laid out the case," Max said. "The NEA agreed with Hoekstra, and they actually did not fund the organization. We've been told it was a direct result of this [investigative] process."

NEA spokesperson Cherie Simon says Max is wrong.

"Decisions are made on applications based on artistic merit and not politics," she said. "These are absolutely not political judgments."

Simon said Canyon was denied a grant simply because the NEA discovered that "there was no curatorial direction, no review process, no editorial decision-making process as to what went into their catalog."

Simon did admit that the NEA rarely overturns recommendations made by the National Council on the Arts and the Endowment's Chair, as it did in Canyon's case. "It's not common," she said. "But it does happen."

Brandt didn't take credit for the NEA's funding decision.

"Our understanding is that the NEA also had a lot of questions about Canyon," he said. "But I don't think it was because of Hoekstra's questions. The NEA must have come to the conclusion that it wasn't something they wanted to fund."

Mendoza said he suspects that Max is the most straightforward of the lot.

"It's not the first time that, under pressure, the NEA has rejected grants," Mendoza said. "There has been a willingness at the NEA to throw Congress some sacrificial lambs so that they can go on. Under Jane Alexander they have done that more often than [under] the previous two leaders, both of whom we thought were pretty bad."

Canyon's directors said that they were extremely upset by the NEA's action. "I'm disappointed and angry that the NEA has not backed us up even though we have a 15-year track record with them," Angerame said. Without the NEA grant the group will have a hard time putting out its catalog, which is published only once every five years.

Looking for dirt

Hoekstra has also targeted two other arts groups. He has criticized the NEA's funding of the New York–based Women Make Movies Inc., a 25-year-old group that distributes, promotes, and exhibits independent films by and about women, and Fic-

Continued on page 40

NATIONAL ENDOWMENT FOR THE ARTS

The Nancy Hanks Center
1100 Pennsylvania Avenue NW
Washington DC 20506-0001
202/682-5400

CONFIDENTIAL INQUIRY: REQUEST FOR REVISED BUDGET INFORMATION

To: Film Arts Foundation Date: 1-14-97

Project Director: Dominic Angerame Appl. No.: 96-018842

Your application to the Education & Access category was recently reviewed and recommended for funding by an advisory panel and the National Council on the Arts and approved by the Endowment's Chairman, but at a level lower than you requested. This inquiry is to advise you of the status of your application and to determine if the project can be undertaken with the reduced level of Endowment support. The final grant award is subject to your timely response to this request, Endowment approval of the information you provide, and the availability of funds.

Amt. Recommended: $15,000 Earliest Project Start Date: January 1, 1997

Project Description: To support the publication of Canyon Cinema's film/video distribution catalog.

Comments or special conditions:

* * * * * *

If the project can still be undertaken at the reduced amount, please refer to the INSTRUCTIONS & GUIDANCE below. Please advise us immediately if you will not be able to undertake the project at all.

INSTRUCTIONS & GUIDANCE: If the project description and total project costs will remain essentially the same as those contained in your application, you will satisfy the Endowment's request for revised budget information by completing PART I on the next page and returning this form. If the project can still be undertaken, but requires scope and/or budget changes, you need to review the guidance provided under PART II and complete and return the attached Revised Budget form.

If the authorizing official or project director has changed since submission of your application, please send a letter to that effect with your response to this request. Be sure to include signatures of the new personnel.

DO NOT MAKE ANY FINANCIAL OR LEGAL COMMITMENTS BASED ON THE ASSUMPTION THAT YOU WILL RECEIVE FUNDING. This is a confidential inquiry; a tentative recommendation that will not be final until you receive official notice following the completion of the review process.

Within 30 days of the date above, please send an original and one copy of your revised budget response and any related correspondence to: Mary Smith, Disciplinary Specialist, National Endowment for the Arts, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506. If you have any questions about this request, please contact Mary Smith (202) 628-5742.

NATIONAL ENDOWMENT FOR THE ARTS

The Nancy Hanks Center
1100 Pennsylvania Avenue NW
Washington DC 20506-0001
202/682-5400

March 28, 1997

Gail Silva, Director
Film Arts Foundation
346 Ninth Street, 2d Floor
San Francisco, California 94103

RE: **Canyon Cinema Application 96-018842**

Dear Ms. Silva:

I regret to inform you that, upon further review of this application and supporting materials, the Arts Endowment has made the determination to reject this application.

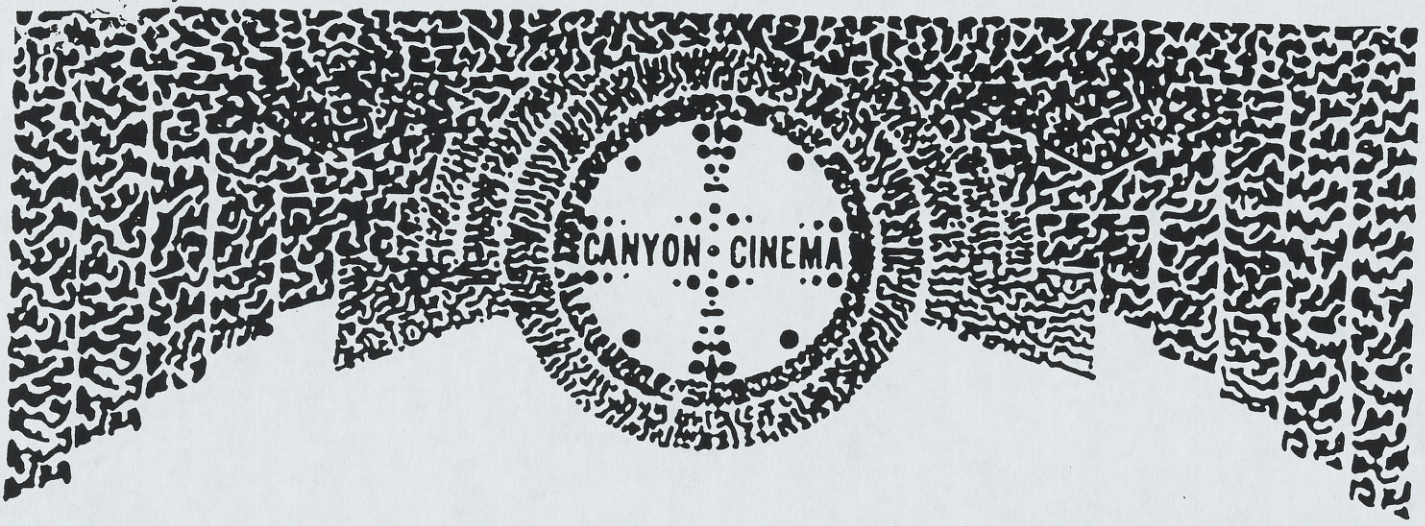
The Education & Access category received 555 requests totalling $37.6 million, and can only support 171 of them, with grants totalling $10.8 million. As you probably know, Congressional reduction of the Endowment's budget by nearly 40% is resulting in a major decrease in the number of grants awarded by the agency. Many worthy applications, and those that would have qualified for funding in prior years, will not be funded.

We understand that Canyon Cinema may serve an important function in providing distribution services for independent films that might not otherwise be accessible to audiences, such as film schools, libraries, and media centers, interested in this medium. That function has been the basis of the Endowment's prior support. However, the Endowment has a longstanding policy precluding grants for projects, such as vanity presses, staff exhibits and performances, and exhibitions of collections owned by individuals, where the selection or inclusion of work is based upon criteria other than artistic excellence. Absent any artistically-based selection process or editorial mechanism, the Endowment cannot rely upon the artistic excellence or merit of the material included. We have determined that it would be inconsistent with this longstanding policy -- especially given the Endowment's severely constrained resources -- to fund projects, such as the catalogue involved in the above application, that include material solely on the basis of payment of a membership fee, regardless of its quality. Accordingly, the application will not be among those selected for funding.

Sincerely yours,

Scott Sanders

Scott Sanders
Deputy Chairman for Grants and Partnership



National Endowment for the Arts
Attn Ms. Scott Sanders, Deputy Chairman for Grants and Partnership
The Nancy Hanks Center
1100 Pennsylvania Ave NW
Washington DC 20506
Re: grant Application #96-018842

April 12, 1997

Dear Ms. Sanders,

Your letter of March 28, 1997 rejecting the application for funding to Canyon Cinema came as quite a shock. Canyon Cinema has consistently received support from the National Endowment for the Arts since 1982. During the past fifteen years never has the artistic quality of the films we distribute nor the artistic qualifications and goals of our organization ever come into question. As the Executive Director for Canyon Cinema, I object to the reasons you have given to deny our organization funding.

Canyon Cinema has consistently maintained its commitment to the distribution of high quality artistic films. As of April 10, 1996 Canyon Cinema had revised its Articles of Incorporation and By Laws which established procedures to help ensure the films distributed meet certain qualifications. Under the revised By Laws a review committee was established. This committee reviews the films submitted and ensures that they are creative works of art and fall into the Experimental/Avant Garde genre. The committee also makes sure that a Filmmaker's Agreement has been signed. This Agreement is a legal document that states that all filmmakers have obtained all rights necessary for the material contained in their films, and that their work does not contain any material that might be deemed as obscene. All filmmakers having work in distribution through Canyon Cinema are required to sign this document.

It seems strange that the rejection of our grant application was concurrent with New York Times articles and the recent congressional hearings regarding the future of the NEA. It also appears contradictory that our grant was rejected on grounds that there were lack of funds, since our appropriated award had already been announced to the press. A San Francisco Chronicle report in January 1997 and a press release from the NEA in December 1996 stated that Canyon Cinema had been approved for funding in the amount of $15,000 based upon the NEA panelist's recommendations.

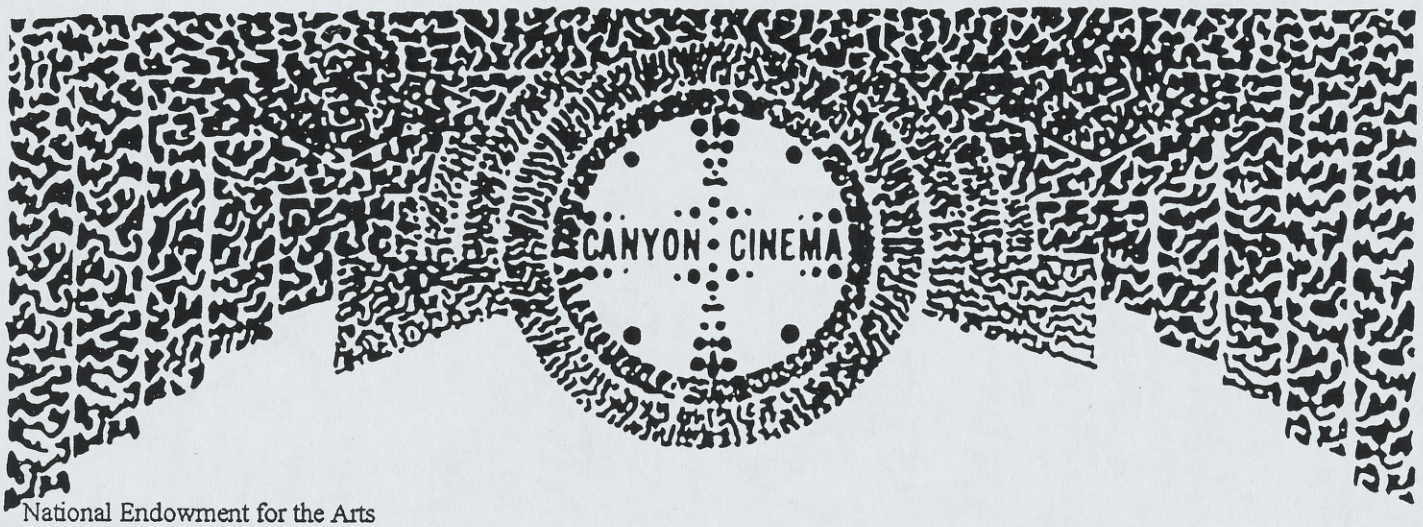
Canyon Cinema's concern is not only for its possibly lost funding but the appearance that the Endowment is no longer supporting marginal organizations who do not command large political support. It is also Canyon's concern that the Endowment now seems to be making decisions that reverse its own panelist recommendations who have been chosen from the field. The continued Endowment support of small arts organizations is a major concern from many in the field.

I am enclosing a copy of Canyon Cinema's revised Articles of Incorporation, By Laws, and Filmmaker Agreement with this letter and I respectfully request that you reconsider the Endowment's decision as stated in the March 28, 1997 letter.

Sincerely,

Dominic Angerame
Executive Director, Canyon Cinema, Inc.
Enc: Revised Articles of Incorporation, By Laws, Filmmakers Agreement

2325 3RD STREET • SUITE 338 • SAN FRANCISCO, CA 94107 • (415) 626-2255



National Endowment for the Arts
Attn Ms. Scott Sanders, Deputy Chairman for Grants and Partnership
The Nancy Hanks Center
1100 Pennsylvania Ave NW
Washington DC 20506
Re: grant Application #96-018842

April 22, 1997

Dear Ms. Sanders,

This is a follow up letter to my correspondence dated April 12, 1997. Since 1993 Canyon Cinema's staff and Board of Directors had been working diligently to amend its Articles of Incorporation, revise its By Laws and re-write a Filmmaker's Agreement. This process has been extremely involved, complicated, and time consuming. The reasons for proceeding with such a project stemmed from two factors: Canyon Cinema was interested in defining and re-affirming its commitment to the distribution of motion picture films and there were concerns about the content of films that could be deposited for distribution by filmmakers.

By March 1996 we had finally drafted a final set of amended Articles of Incorporation, By Laws and a new Filmmaker's Agreement. These documents were mailed to all members of Canyon Cinema in the enclosed copy of the Canyon Cinema Newsletter (March 1996) for their official approval through mailed in ballots which were counted by proxies in an open meeting of the membership held on April 16, 1996. The results of the ballots counted by proxies at the open meeting were that 95% of the voting membership approved the new documents. Therefore, as of that meeting these rules of procedures, including the establishing of a review committee was put into process.

I am enclosing a copy of the Canyon Cinema News #6, dated March 1996, pages 4-11that was sent to our membership explaining these new documents and asking for their ballot of approval. Also enclosed are the minutes recording this meeting on page #11 of the Canyon Cinema Newsletter #7 pages #11-12.

It took several months before the staff at Canyon, with aid from our Attorney, could draw up these documents in the final form that was sent to the Secretary of the State of California and most recently sent you. This is why there are different dates on these papers. In reality Canyon Cinema has been operating under the newly amended Articles of Incorporation, By Laws, for more than a year, and the Filmmaker's Agreement has been signed by all filmmakers whose films are currently in distribution as of January 13, 1997. Any filmmaker who has not signed this Agreement has had their films returned to them as indicated in the letter sent to our members in January, 1997 which is also enclosed.

I hope that this clarifies the situation. The reason that I did not include any of this information, or support material in our grant proposal for 1997 was that we had been received funding for many years from the Endowment, and our selection process had never been in question. Canyon Cinema was also unaware that the Endowment had a policy of not funding organizations that were "absent of any artistically based selection process or editorial mechanism..." as stated in your letter of March 28, 1997.

Sincerely,

Dominic Angerame
Executive Director, Canyon Cinema, Inc.

Enclosures:

2325 3RD STREET • SUITE 338 • SAN FRANCISCO, CA 94107 • (415) 626-2255

OPEN MEETING BOARD MINUTES April 15, 1997

Location: Canyon Cinema, Inc. 2325 3rd Sreet #338, SF, CA 94107 Present: Rebecca Barton, Craig Baldwin, Sandra Davis, Steve Dye, AnnaGeyer, Larry Kless, Tim Wilkins, David Sherman, Scott Stark

Agenda
1. Establish quorum
2. Board Elections
3. NEA report
4. Catalog report
5. Statement on the status of deceased filmmakers
6. Other items

1. President of Board (TW) calls meeting to order, Administrative Director (DS) opens with report on quorum, 20% is needed and we have 241 active shareholders, so 48 shareholders must be present or represented by proxy. 133 total proxies plus 7 present at meeting start, (2 more shareholders arrive late, 9 present). Tim Wilkins represents Bruce Conner's proxies and his own, Sandra Davis represents proxies, DS represents Dominic Angerame's proxies plus 3 of his own, Larry Kless represents one proxy.

2. Two seats are open, Larry Kless is up for re-election and David Sherman expresses interest in running for board to add staff voice on board. Sdye raises question of conflict of interest, DS states no word in ByLaws against it. A discussion on the ethical questions and the lack of shareholder interest follows.. Should board's administration separately from staff? What about organizations like Film-makers' Coop that have staffon board? LK presents ByLaws section 3.2, Numbers and Qualifications of Directors, as showing nothing in writing against it, and no policy statement disallowing it. SDavis questions the big step it would be for Canyon voices concern. Discussions continue until all agree to cast their votes which comes to: David Sherman 154 Larry Kless 108 Suddenly, Anna Geyer, a Canyon Cinema shareholder joins meeting and expresses interest in running for the board. A uncomfortable moment passes and all present ponder the thought. President of Board makes motion to recast the vote, SDye seconds, all in favor. President asks all 3 candidates to make a statement. Larry Kless expresses interest in 2nd term to continue to help with the business processes and restates accomplishments; new office computersystem, goals and objectives; Canyon booking software upgrade and Canyon Web site, and issues which face Canyon; alternative funding sources and deceased filmmaker's estates.

Anna Geyer introduces herself as a new shareholder of Canyon and, very interest in working on the catalog and the web site. Canyon web site needs order information, works on the Dub Stage at Saul Zentz studio, new film is showing at the Atlanta Film Festival. There is a move to digital audio in film and experimental film is important; the Canyon catalog represents the history of experimental film.

Scott Stark joins meeting and refrains from running from the board. David Sherman makes statement; Canyon staff member since 1989, it's important to have a closer link between the activity of the staff and the decisions of board. Issues and procedural activities come up and it's hard for the board to have a complete sense of it; frustration at not being able to vote on issues that affect Canyon very broadly, which is reason that there should be a staff member on the board; more healthy than hindrance, better information flow from the staff to the board. SDye suggests all present cast votes in his hat and he will tabulate votes. All agree, for the record SDavis suggest the issue to be discussed further at a later date. CBaldwin suggests window of opportunity for addressing issue is passed since no mention in ByLaws. Discussions continue until all agree to cast their votes which comes to:
Anna Geyer 64 Larry Kless 76 David Sherman 119

3. NEA report. David Sherman, Tim Wilkins
TW reads Report from the Executive Director Regarding the NEA Developments memo April 15, 1997. Discussion follows as shareholders review related memos to and from Ms. Scott Sanders, NEA Deputy Chairman for Grants and Partnership, DS reviews scenario and potential options for appeal and action. Discussion follows as issue of NEA funding based "contingency" is their "escape clause" to rescind grants. LK presents an email he received from Doug Rice, author of "Blood of the Mugwumps.." who was vilified by Rep. Hoekstra in NY Times article. He references to a 2 year old law that prohibits the NEA monies which "can be used to support homoerotic art". All present weigh in on action plans, lawsuit would be too hard and too costly, internal NEA appeal should be pursued with problems addressed, do we have a collective political voice with other organizations? Do we have connections or should we seek support from elected representatives? All agree Canyon should indirectly work other organizations. Anna Geyer suggest we draft a form letter that could be distributed to Boxer, Feinstein or posted electronically. CBaldwin points to the NEA as the source of the problem. Discussion continues and leads to...

OPEN MEETING BOARD MINUTES April 15, 1997 (Continued)

4. Catalog report. David Sherman
DS gives report on Catalog finances $13,000 in catalog account, projected cost for 4000 copies is $44,000. NEA grant (-$15,000) would have gotten us 2/3 of the way there, and got the rest with advertisements and next years dues. Discussion follows regarding funding strategies and action plan for Canyon. TW reviews the numbers, DS suggests some production costs could be shared with print and online projects. DS introduces, Rebecca Barton, who outlines a potential funding campaign for Canyon. RB expresses interest in taking on this project and stresses the importance of the printed catalog. A funding campaign an be focused on large and small donations. Larger chunks of money off beat celebrities with links to exp. film, work on links to filmmakers and flush out small monies through a mail campaign. Try to organize benefits, and organize an artist project based on mail campaign which is an event. Pull together monies which will go towards something like publishing a new catalog.

Anna Geyer suggests catalog could include history of exp. film art, or have we considered working with a publisher? DS suggests the catalog is in-between. Reality is that Canyon's catalog account is short about $30,000. DS suggest a vote or board discussion next meeting, SDavis agrees because it's too big a strategy. DS asks Scott Stark about web costs, SS says the web take programming maybe $1,000-$3,000. Discussion on design issues and fundraising continue. RB reviews her funding campaign, TW suggests RB presents proposal to board at next meeting, TW suggests an open meeting vote. SDavis questions what is the vote. Open discussion follows, C Baldwin states for the record, that Rebecca was generous enough and had vision to a possible long term an short term problems, including the NEA and the catalog, and encourages her go forward with proposal and it should formalized at a later date. LK gives Rebecca vote of confidence could feed into overall business plan. All agree printed catalog should be pursued. DS asks what more can we sell, catalogs? SDavis suggest packaging "historians of experimental film", we have access to films and makers. CBaldwin suggests maybe Canyon shareholders can donate some images to a postcard, Tshirt, calender, or separate item which is part of the catalog campaign; Gives it more appeal, rather than just your name listed. Or can filmmakers donate their films to a series of shows which benefit the catalog fund? A whole other project can be developed with local programmers. Do we as a membership have any patrons we can call upon? Discussion continues on strategies for contacting people for funding resources. SS suggests selling pages in catalog, LK makes a pitch for more merchandising.

Discussion on developing membership mailing follows, all agree we should take advantage of the situation and get information out to membership. Contents of mailing will include, Annual Shareholder meeting minutes, NEA report and letters, a general letter of information, solicitation of names for fundraising, form letter. TW asks for support with mailing, LK will write up minutes, SDye will help with mailing, AG and SDavis will work form letter. All agree on strategy. Canyon's new email address is Canyon@sj.bigger.net

5. Statement on the status of deceased filmmakers
DS reviews Canyon policy statement in place and short discussion follows regarding the legalities and contracts. The board and staff needs to develop a comprehensive plan for dealing with this issue. Discussion is tabled for a future board meeting to deal with more pressing issues at hand.

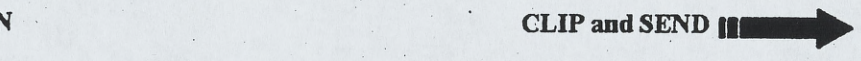
6. Other items.
For the record, according to the ByLaws section 2.4 the Annual Shareholders' meeting is to take place on the 3rd Tuesday of April each year at 6:00 PM. The next Annual Shareholders Meeting will take place Tuesday, April 21, 1998.

TW motions to adjourn meeting, LK seconds, all in favor.

Meeting Adjourned. Minutes by LK 4/29/97

NEXT TWO CANYON BOARD MEETINGS SCHEDULED FOR TUESDAY MAY 13, 9:30 AM AND TENTATIVELY TUESDAY, JUNE 17, 9:30 AM @ CANYON CINEMA OFFICES ALL SHAREHOLDERS ARE WELCOME

Additional Board Minutes available upon request

FUNDRAISING CLIP AND RETURN **CLIP and SEND** 

Please fill out and return list of personal contacts that **you** will help Canyon Cinema approach for fundraising support. We will not approach these contacts directly at this time, but we need a base of **your** contacts that we can formulate our strategy around. **This is very important, so please return ASAP.**

Your name (Canyon Cinema Filmmaker)_____

Contact #1
Name_____
Organization/Business_____
Address_____
City_____ **State**_____ **ZIP**_____
Phone#_____ **FAX**_____
Email_____

Your relation to contact_____

Contact #2
Name_____
Organization/Business_____
Address_____
City_____ **State**_____ **ZIP**_____
Phone#_____ **FAX**_____
Email_____

Your relation to contact_____

Contact #3
Name_____
Organization/Business_____
Address_____
City_____ **State**_____ **ZIP**_____
Phone#_____ **FAX**_____
Email_____

Your relation to contact _____

Nominees for the Canyon Cinema Advisory Board

Name_____
Organization/Business_____
Address_____
City_____ **State**_____ **ZIP**_____
Phone#_____ **FAX**_____
Email_____

Your relation to contact_____

CLIP and SEND

CANYON CINEMA

2325 3RD STREET • SUITE 338
SAN FRANCISCO, CA 94107 • (415) 626-2255

SAN FRANCISCO CA
PM
MAY 5
1997

Sara Kathyrn Arledge
C/o Terry Cannon
1531 East Woodbury
Pasadena, CA 91104